Let Us Be the Corner-Stone Of the Construction of Greater East Asia!

Nippon Times
Evening

Fight It Out to the Last Man Till America and Britain Are Down and Out

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5 Enemy Downed Over Burma

In News Spotlight

Actual Damages to U.S. in Pacific Hidden, Say Men Who Saw Action

Yomiuri-Hochi

BUENOS AIRES, March 13.—An interview with more than 100 American officers and men, who returned home after participating in the battles of the Southwestern Pacific, against the Japanese Forces is given in the Time, popular American weekly, of March 1, which has just reached here, and all those officers and men who were interviewed joined in declaring that the official announcements made by Washington and American newspaper accounts of the battles never told the actual battle condition.

Some of the questions asked by the weekly and the replies given by these American officers and men are as follows:

Question: Admiral William Frederick Halsey, Commander-in-Chief of the United States Fleet in South Pacific, said that he would smash Japan by the end of the present year. What do you think of this statement?

Reply: There is no ground for Halsey to say such a foolish thing.

Question: It is claimed the damages the United States suffered in the Pacific are very small. Is this true.

To this question, all unanimously replied that the actual damages were far greater than announced by the United States.

Then many of the officers and men questioned the representative of the weekly, asking, "Why do American newspapers publish such falsehood? It is not newspapermen's work to write only exaggerated and untrue news of victory."

One officer also expressed his disappointment with Washington's false reports declaring bombastically, "We always try to put facts as far as possible in official announcements but every time we are prevented from doing so. I believe American citizens are able to stand the terrible news of our defeats but those above us do not like to let the people know such facts."

Press Comments

Tuesday, March 16

ASAHI—Action on E. Front

TOKYO SHIMBUN—The Polish Issue

Action on E. Front

ASAHI—On the German-Soviet front, the Germans, after severe fighting, recaptured Kharkov on March 14 and have been extending their line of advance. Naturally we do not know what the objectives of the Reich High Command are but it is to be supposed that it is relegating the capture of points to a secondary consideration, although the occupation of different areas is important, and instead of concentrating on the capture of resources, is devoting its main efforts to the destruction of the enemy on the field.

Nevertheless, it would be premature to regard this campaign itself as the spring offensive that had been expected. There is no predicting when such an offensive would be launched this year and what factors it would involve. We may, however, anticipate that the Germans will again grow extremely active this year and much energy will be devoted to the nurturing of fighting power through strengthening of the wartime system at home and securing of positive cooperation from the various anti-Comintern nations of Europe. Propaganda Minister Dr. Joseph Goebbel's recent article in Das Reich is eloquent testimony to that program.

Dr. Goebbels frankly admits that in the winter campaign on the Eastern Front the Germans had suffered no small loss in occupied territory, men or arms but he points out that the Soviets had also been subjected to severe consumption. At any rate, Germany is most likely to profit by experience and may be expected to carry new ideas in effect in the campaign for this year.

It is only natural that the war should present different aspects year after year and it is unlikely that the campaign this year will take the same course as it had in the 20 long months that have just passed.

At any rate, as the German Propaganda Minister says, it is wiser to estimate the fighting strength of the enemy rather highly and be prepared accordingly. For instance, the remarkable advance in science and engineering in the Soviet Union has enabled the Russians to improve the performance of tanks to quite an extent. At the same time, it would be better to underestimate the internal conflict among the United States, Britain and the Soviet Union, even if their fundamental differences are being so glaringly exposed, so far as the actual effect on the course of the war is concerned. For, the Soviet Union, with the war with Germany and Italy on its hands, is not likely so easily to cut itself loose from the United States and Britain. The United States and Britain themselves are expediting their preparations to attack the Balkans and other areas with Africa and West Asia as their bases. Some of the many reports on these preparations may be mere propaganda but Germany and Italy should of course be on guard at every point.

The Polish Issue

TOKYO SHIMBUN—The Polish refugee regime in London is reported to be moving to the United States, the reason given by the regime being that the British Government is indifferent to the Polish demand for the recovery of its lost territory. Aside from the question whether the Polish demand or the Soviet policy on the question is just, it is an unmistakable fact that the United States is attaching considerable importance to the matter in view of the strict prohibition of criticisms there on the matter. British Foreign Secretary Anthony Eden now visiting America will no doubt take up the question with President Roosevelt. Why is it so important to the United States and Britain?

In the first place, one may recall the problem of the Atlantic Charter. The Polish refugee regime presumably has based its demand for the recovery of the lost territory after

(Continued on Page 2)

Yankee Attack on Manila Maru Was Foiled by 'Divine' Squall

Providence sent a squall which enveloped the Japanese hospital ship, Manila Maru, in its protecting fold when the marauding American submarine unleashed its deadly torpedoes at the ship in broad daylight southeast of Palau Island, in spite of the fact that the vessel was plainly marked with the Red Cross sign, according to the statement of one of the ship's crew, Yasuo Yoshioka, as given by the Mainichi. The Manila Maru safely reached an undisclosed port on a certain day after eluding the enemy's torpedo attack. Yasuo Yoshioka's version of the story is vividly given as follows:

"The ship was about 200 nautical ri southeast of Palau a little after 11 o'clock on the morning of March 4 and as there were signs of an approaching squall, we ate our lunch before having a bath. I was still bathing when a sudden commotion arose on the deck and someone shouted 'An enemy submarine attack!'. I dressed in haste and rushed up on deck. I caught sight of a white streak heading straight for our ship. Before I had time to cry 'Look out!'. our ship made a big swing to the right and almost simultaneously the torpedo rushed passed the ship's stern.

"We had barely heaved a sigh of relief when the second torpedo streaked through the water. Luck was with us for it, too, slammed past its target. Just at that moment a heavy squall arose and visibility was cut to the minimum. The enemy submarine was then forced to give up the attack. With the entire crew stationed at emergency positions, the ship arrived at a certain port the next day.

"The timely squall was indeed heaven sent. If it had been a night attack there might have been some excuse, but to attack an unarmed hospital ship in broad daylight is certainly an inhuman, beastly act."

First-Class Private Kajino of the medical corps commented on the incident as follows:

"The enemy submarine's attack was made during daytime. Ignoring the Red Cross mark painted on the side of our ship, the enemy submarine approached with its periscope visible above the water. We rushed to the bridge when the attack alarm was sounded and clearly saw the white wake of the torpedo as it rushed through the water toward us. The thought that occupied my mind at the time was how we could save the patients on our ship. It was certainly providential that we escaped without the slightest damage."

EMP. OF CANADA SUNK; U-BOATS GET 14 MORE BRITAIN-BOUND SHIPS

Italian Submarine Claims Liner---Enemy Sea Losses Mounting

Domei

ROME, March 15.—Italian submarines sank the British luxury liner, Empress of Canada, 21,517 tons, which was fully loaded with troops, in the Atlantic, the Italian High Command announced today.

14 Ships Sunk

Domei

BERLIN, March 15.—German submarines attacked enemy transports convoyed by a strong naval fleet off the eastern coasts of South America and sank seven ships totalling 49,000 tons, it was announced by the German High Command this noon. At the same time, another ship was torpedoed, but it was impossible to ascertain whether the ship was sunk.

In another section of the Atlantic, German submarines sank 7 enemy ships, totalling 43,000 tons, and thus 14 ships proceeding toward England, totalling 92,000 tons, were sent to the bottom, the communique further said.

U-Boat Menace Intensified

Since the beginning of March, German forces sank 500,000 tons of enemy shipping, of which 411,000 tons were sunk by German submarines, as it was announced today by the German High Command, in its special communique issued at noon, that 14 enemy ships totaling 92,000 tons were sunk by German submarines.

In making this announcement, the German High Command added that the offensive activity of German submarines under Grand Admiral Karl Doenitz, Supreme Commander of German Navy and Commander-in-Chief of Submarine Fleet, is steadily increasing.

Soviet Tanker Sunk

German naval forces operating in the Black Sea, attacked a Soviet oil tanker, 7,000 tons, off the port of Tuapse, the Caucasus, and sent her to the bottom in flames, according to German military authorities.

Speedboats Also Active

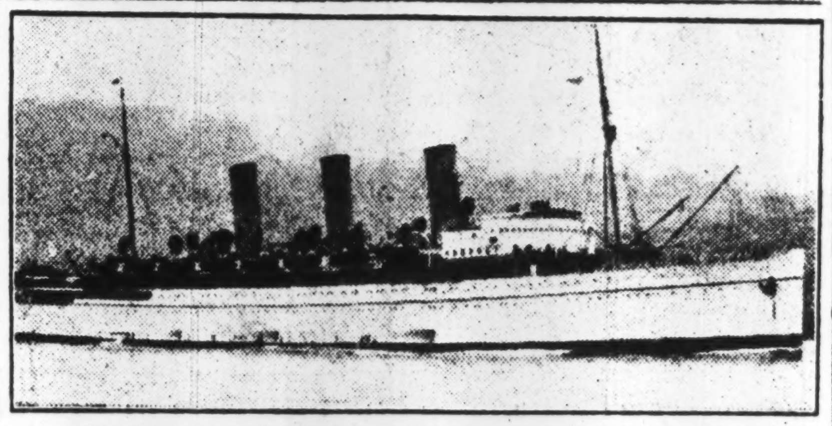
Domei

ROME, March 15.—On the evening of March 11, German speedboats found a British destroyer fleet off the Tunisian coast, and sank two destroyers and damaged two others, it was announced by the Italian High Command today.

Italian torpedo planes attacked a group of enemy convoyed ships off Bone, and torpedoed one large-sized ship, the communique added.

Italian speedboats damaged two Soviet speedboats in the northern waters of the Black Sea.

Sent to Watery Doom



The Empress of Canada, crack luxury liner of the Canadian Pacific fleet, which has been added to the increasing enemy shipping toll. She was a frequent visitor to Japanese ports before the War of Greater East Asia.

P.I. Official Declares Freedom Assured Isles

Domei

MANILA, March 15.—The long-cherished independence of the Philippines is now in sight on the horizon of the Pacific, thanks to the reassurance of Japan's Prime Minister, General Hideki Tojo, regarding freedom for the Islands, Jose P. Laurel, Commissioner of the Department of Interior of the Philippines Executive Commission, declared today.

Mr. Laurel's declaration was made in his manifesto sent to all churches throughout the Philippine Islands, urging them to cooperate fully with the Executive Commission in enlightening the Filipino public for closer unity through evangelistic work.

Wallace to Make Tour

Domei

BUENOS AIRES, March 15.—Henry A. Wallace, United States Vice-President, is scheduled to leave Washington on March 18 for Costa Rica, whence he will proceed to Colombia, Panama, Chile, Bolivia, Peru, and Ecuador and return to Washington on April 25, it has been officially announced, according to a Washington dispatch received here.

SOVIETS ADMIT KHARKOV LOSS

Reich Forces Conduct Mop-Up Operations After Occupying City

Domei

MOSCOW, March 15.—The Soviet Information Bureau announced tonight that the Red Army withdrew from Kharkov today at the order of the Army Headquarters, after several days of fierce fighting.

Soviets Repulsed

Domei

BERLIN, March 15.—German forces, following the complete occupation of Kharkov, are now carrying on mopping-up operations around the same city, says a field dispatch reaching here.

In the west of Bielgorod, the Soviet forces, which had been reinforced, tried to check the German advance, but they were repulsed, suffering heavy losses. It is pointed out that in this specific battle a German infantry unit annihilated 60 Soviet tanks which attempted a counter-offensive under the protection of the Soviet air force.

In the Storayalsa sector, too, Soviet infantry units headed by a tank corps, and backed by the artillery, challenge the Germans, but they were also driven away. Besides these, frequent Soviet counter-offensives in the central area have all been brought to naught by the Germans, and it is stated that only local and small-scale skirmishes took place in other sectors.

64 Planes Shot Down

Domei

BERLIN, March 15.—The Soviets lost 64 planes, of which 50 were shot down in aerial combats, five downed by anti-aircraft fire, and the rest destroyed on the ground in an engagement with the German forces on March 14, according to German military quarters.

It is further reported that, of the German planes which took part in the engagement, only one failed to return to the base.

Chungking Forms Body To Enforce Conscription

Domei

CANTON, March 15.—A military conscription guidance committee of 19 members has been organized by the Chungking regime to deal harshly with people who are evading compulsory military service in areas controlled by Chungking, according to information available from the Chiang Kai-shek capital today.

The committee has announced that all young people are subject to be called up for military service, which will be enforced under the wartime conscription law. It also announced that persons evading summons without warranted reasons will be severely punished.

HUGE WAR TOLL TAKEN BY AXIS

168 Planes, 10 Warships, Many Transports Sunk in 1 Week

Domei

ROME, March 15.—During last week, Axis naval and air forces accounted for 168 aircraft, 10 warships and 287,000 tons of transports on various fronts, the Italian High Command announced today in a communique as follows:

1. Airplanes:
   - Shot down in aerial combats . . 125 (67 in North Africa, seven in the Mediterranean and 51 in Germany and its occupied areas)
   - Shot down by anti-aircraft fire . 43 (Six in North Africa, three in Italy and 34 in Germany and its occupied areas)
2. Warcraft:
   - Sunk . . . . 10 (Two destroyers in the Mediterranean, eight speed-boats in the English Channel)
   - Damaged . . . . 12 (One destroyer, two speed-boats and two vessels of unidentified types in the Mediterranean. Seven speed-boats in the North Sea)
3. Transports:
   - Sunk . . . . 287,000 tons (272,000 tons by German submarines and 15,000 tons by the Italian air force)
   - Damaged . . . . 26 (13 by German submarines, nine by the German air force and four by the Italian air force)

British Blasted in Tunis

Domei

LISBON, March 15.—Axis air forces today carried out a surprise attack on the British Eighth Army concentrated at a point in the southeastern part of Tunisia and destroyed or put out of commission more than 20 trucks fully loaded with men and war supplies.

Due to bad weather, however, the engagements in Tunisia have been hindered and only a small-scale aerial co[illegible] was staged in the southeastern sector.

In the northern part, some skirmishes were evident today at a point west of Cape Serrat. Pressed by Axis artillery units, anti-Axis forces were compelled to abandon a height and retreat to the west.

Tojo Donates to China

Domei

NANKING, March 15.—Prime Minister General Hideki Tojo during his visit here made a monetary contribution to the National Government of China as a fund for social and relief activities.

GREAT EFFECT SEEN BY WANG IN TOJO'S VISIT

Epochal Tour Hailed By Nanking Executive At Press Interview

By Arrangement with the Asahi (Special to the Nippon Times)

NANKING, March 15.—Prime Minister General Hideki Tojo's visit to Nanking will produce a tremendous effect on the unification of the Chinese with other East Asiatic peoples, and will also exert a favorable influence upon the future development of the War of Greater East Asia, declared President Wang Ching-wei of the Nanking Government, in a press interview given at 5 p.m. today at his official residence.

President Wang also stated that with the launching of a new phase in Sino-Japanese relations, the masses under the rule of the Chungking regime will be freed from suspicion and they will join the Nanking camp.

The President's interview was given to reply to three questions posed by the press corps, regarding the future policies of the Government, measures to be taken to muster China's economic strength and its policy toward Chungking.

Wang's Interview Follows

President Wang's interview was, in substance, as follows:

"Since the start of the War of Greater East Asia, China had been occupied with two ideas, namely, how it can contribute to the cause of Japan with its insufficient national strength and how it should express its intention of cooperating with Japan.

"Fully appreciating our ideas, the Japanese Government and people have tendered us every understanding and assistance. We earnestly wish that they will continue to offer us cooperation in military, economic and other lines of endeavor in the future.

"We are especially grateful toward Japan for the unstinting cooperation it has offered China since the latter's entry into the war on January 9. The recent visit here of Prime Minister Tojo will, I firmly believe, exert a favorable influence on the unification of the Chinese with other peoples of East Asia and will also contribute favorably toward the future development of the war."

In response to a question as to the measures for mustering the national, political and economic strength by the Nanking Government and the establishment of a wartime national structure, the President declared as follows:

"The National Government has convoked, since January 9, gubernatorial, legislative, military, economic and educational conferences, thereby

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U.S. Putting Pressure On Martinique Island

Domei

BUENOS AIRES, March 15.—The dissatisfaction of the United States with the attitude of Admiral Georges Robert, French High Commissioner for Martinique Island, is rising as Admiral Robert remains loyal to Marshal Philippe Petain despite all pressure brought upon him by the Washington Government.

The United States Government recently suspended the shipment of foodstuff to the island and this is one of various oppressive acts the American Government is bringing upon the Admiral.

In this connection, the Washington Star particularly expressed its dissatisfaction with Admiral Robert's attitude in its editorial published today, according to Washington reports.

"The attitude of Admiral Robert can no longer be allowed viewed from whatever standpoint," the editorial declared. By this statement the editorial is interpreted as insisting upon the annexation of Martinique Island by the United States.

Puppet Official Resigns

Domei

LISBON, March 15.—Gaston Bergery, Secretary-General of the Supreme Military Council of the French puppet regime in North Africa, formally resigned today, according to a report from Algiers.

4 Hurricane Fighters, One Blenheim Bomber Lost by Enemy in Air Clash Over Mondaw; Japanese Troops Encircle Foe in Yunnan

Domei

A CERTAIN BASE, March 15.—A crack unit of the Imperial Army Air Force met a formation of enemy planes composed of 10 Hurricane fighters and three Blenheim bombers, above Mondaw, Indian-Burmese frontier, yesterday afternoon, and after an air battle, shot down four Hurricanes and one Blenheim, or a total of five enemy planes. Our side suffered no damage.

Yunnan Enemy Trapped

Domei

RANGOON, March 14.—Enemy forces, which had become active on the Burma-China and northern India-Burma borders with the object of reopening the Burma Route were given a sledge-hammer blow by Japanese Forces which opened fire on February 15, and the enemy, their retreat intercepted, are now completely trapped in the Nu River area, Yunnan Province, and in the Chindwin River area, Burma, dispatches arriving here revealed.

Japanese Units, which dealt a smashing blow to Chungking forces in the upper reaches of the Nu River, are now in the Taiying valley, Yunnan Province. At Shenhukuan and at another place, the advance troops of a certain Japanese Unit at midnight on March 7 encountered enemy forces. Leaving many bodies on the battlefield, the enemy beat a hasty retreat.

As other Japanese Units reduced Kangai, Yunnan Province, about 60 kilometers southwest of Tangchung, on a certain day of this month, the enemy in the Taiying valley are completely trapped. Severing his connection with the Chungking Army, the younger brother of a chieftain of Kangai greeted the Japanese Forces and is cooperating heartily with them.

Advancing in the Hukawng valley to the north of Myitkyina, Burma, Japanese Forces are defeating the enemy at various points. Repulsing enemy forces at Tsuddtshop and another point, a certain unit made a sudden attack on the enemy at a point three kilometers east of Tsuddtshop, reducing this strategic point.

The unit arrived at a point 15 miles south of a certain place on the evening of March 10. As a result, the fall of a certain strategic point is imminent.

A certain unit, which succeeded in reducing Sawdam in the Hukawng valley, occupied another strategic point on the evening of March 4. Attacking on March 6 the enemy under the command of a British officer on 5077 Hill, our units repulsed them, intercepting their retreat completely. Echelons are continuing their advance commanding a distant view of the Himalayas.

Tojo's China Trip First in History

Prime Minister General Hideki Tojo's visit to Nanking marks the first time in the history of Japan that a chief executive in office has paid an official visit to a foreign nation. Two unofficial visits, however, had been made by Prime Ministers in the past.

The first foreign visit was undertaken by Prime Minister Prince Hirobumi Ito who, on May 29, 1896, visited Amoy, South China, for about a month. The other trip was made by Prime Minister Prince Kinmochi Saionji during the days of the first Saionji Cabinet. Prince Saionji, accompanied by Finance Vice-Minister Baron Reijiro Wakatsuki, went to Manchuria for about a month, leaving Japan on April 13, 1906, for the purpose of arranging matters in Manchuria after the Russo-Japanese War. Prime Minister Tojo's visit points out to the world the perfect solidarity of Sino-Japanese cooperation and is politically of great significance.

CHINA CONTROLS RICE MOVEMENT

Chekiang, Kiangsu, Anhwei Are Affected By Temporary Ruling

Domei

NANKING, March 15.—The National Government on Friday issued temporary regulations for the control of transportation and consumption of rice in Chekiang, Kiangsu and Anhwei Provinces, it was revealed today.

The ordinance issued on Friday supplemented the provisional regulations for the control of movement of wartime commodities which were promulgated last week and are effective from tomorrow, and have been issued to alleviate any difficulties in the purchase of rice that might arise with superseding of all former regulations in the provinces by the provisional regulations.

Collaborating with the National Government, the headquarters of the Imperial Expeditionary Forces in China, the headquarters of the Japanese Fleet in China Waters and the Japanese Embassy today issued a joint proclamation which will be effective until the National Government's agencies for control of the movement of wartime commodities become fully effective.

Being of temporary nature and designed solely to assist the National Government in the execution of the latter's policies, the proclamation will lose its effectiveness by degrees as the rice purchasing organs of the National Government swing into full operation.

Text of Proclamation

The joint Japanese proclamation

(Continued on Page 2)

Yoshizawa Sees Hata

Domei

NANKING, March 15.—Kenkichi Yoshizawa, Japanese Ambassador to French Indo-China, had a two-hour talk with General Shunroku Hata, Commander-in-Chief of the Japanese Forces in China, this afternoon, following a luncheon which was given in his honor by General Hata at the latter's official residence.

Meanwhile, Ambassador Yoshizawa paid a courtesy call on Foreign Minister Chu Min-yi and had breakfast with him at the latter's official residence this morning.

Later in the morning, the Japanese Ambassador inspected the national museum with Chang Chao, Minister-at-Large and personal secretary to Foreign Minister Chu.

NEW JAPANESE POLICY TOWARD CHINA CLARIFIED

Shigemitsu Addresses Diplomats in Nanking

Domei

NANKING, March 15—Details of Japan's new China policy to cope with the new developments following the Japanese retrocession of concessions to China were clarified to the Japanese diplomatic authorities of leading cities in China at a liaison conference held at the Japanese Embassy here this morning.

In the course of the conference, guiding principles of Japan's policy on the basis of the details of the Agreement for Retrocession of Concessions which was signed here yesterday, were thoroughly explained to the Japanese consular authorities by Mamoru Shigemitsu, Japanese Ambassador to Nanking.

Those who were present at the conference included Tomotsune Ohta, Japanese Consul-General at Tientsin, Tomio Takatsu, Consul-General in Hankow, Tsutsumi Kosakabe, Consul at Soochow, Shigezo Tanaka, Consul in Hangchow, as well as leading officials of the Japanese Embassy here.

Given New Court Rank

Chinjiro Matsuura, Privy Councilor and former Education Minister, was among the 1,775 prominent figures who were honored with new Court ranks in the regular investiture of Court ranks on Monday, it was announced by the Imperial Household Ministry, reports Domei.

Mr. Matsuura was elevated to the senior grade of the second class Court rank from the junior grade of the second class.

NORWAY ATTACK PLANNED BY FOE

Viewed as Attempt To Form 2nd Front--- Doomed to Failure

By Arrangement with the Asahi
(Special to the Nippon Times)

STOCKHOLM, March 14.—Ever desperate to establish some bases somewhere in Europe to attack the Axis forces from behind, the United States and Britain are reported to be frantically attempting to form a second front in Norway, according to reliable information available here. However, their scheme is most likely to end in a mere dream because of the ever-intensifying shortage of ships due to Axis submarine activities.

Norway, needless to say, is a northern strategic point on Germany's European-defense line, and four factors can be considered as motivating the Anglo-American Powers to attemept to establish a second front in this particular region. The first reason is that the gaining of a foothold in Norway will facilitate Anglo-American bombing attacks on Germany. Secondly, it will destroy the German economic sphere in Scandinavia, thereby shattering trade and commerce between Germany and Sweden, and also checking the shipment of iron ore to Germany from Sweden. In the third place, it will be a move to force Finland to conclude a separate peace with the Anglo-American Powers. Last but not the least important is the fact that by securing Norway, direct contact can be made with the Soviet Union and the transport of aid-Soviet materials would be facilitated.

Then viewed even from the strategic angle of the anti-Axis armies, there are two inviting factors urging them to plot this scheme, though its ultimate failure is quite obvious. The first is if the German forces were forced to scatter widely over the long coastal lines of Norway, the density of German defense in this particular district would become more fragile than on the Western European coast, and secondly there is no land transportation facilities between the two countries.

Despite these highly alluring factors for the realization of their dream, however, a geographic barrier, clearly seen in the long distance between Norway and England, is apparently irritating London Government leaders. It is pointed out that it takes Britain at least 24 hours to transport convoys to the nearest port of Norway from a British base. Then there arises a still more difficult problem of how to secure merchantmen necessary for sending British troops. It is stated that in order to dispatch 100,000 armed troops, 1,000,000 tons of shipping are needed, which means the utilization of 200 transports of 5,000 tons each. And even if Britain were able to muster that amount, it will have to dare the risk of sustaining considerable sacrifices because of attacks by the German Luftwaffe and U-boats.

For the Anglo-American forces at present, the dearth of ships undeniably a grave problem, and this can indeed be said partly responsible for their inactivity in North Africa. Moreover, even supposing that the Anglo-American forces did attempt to land on Norway, they would be sure to repeat the notorious Dunkirk blunder or else the miserable failure of their previous Norwegian campaign.

It is pointed out that Norway is topographically unsuitable for landing operations, especially for the landing of heavy weapons. Furthermore, Norway is well guarded by the Germans who maintain a constant guard against possible invaders.

Though lacking in land contacts, Norway and Germany are easily joined by air, and on top of this a powerful German fleet is lying in ambush off the Norwegian coast to assault Allied convoys when even they appear on their way to Murmansk.

Under these circumstances, the best that can be thought possible for the Anglo-American Powers to do is a small-scale invasion operation, merely for the sake of propaganda.

The crafty Britishers and Americans will decide on the opening of a formal offensive against the Axis forces after having witnessed the death struggle which may be staged between the German and Soviet troops in the forthcoming summer offensive on the Eastern Front. However, such an idea on the part of the Anglo-American military leaders will only serve to make them lament over the loss of an opportunity, for the swift arrival of cold weather in this particular locality of Europe will render all military operations virtually impossible. And this means that the Anglo-American Powers, however frantically they may boast of their futile attempts, will after all be unable to realize their empty dream—at least by the end of this year,

Copenhagen Raided; N. France Also Hit

Domei

BERLIN, March 15.—Enemy planes suddenly attacked the city of Copenhagen and its suburbs at 10 a.m., Sunday, it is reported from Copenhagen. Enemy planes also bombed six other cities Sunday night but the extent of damages caused is not known.

British bomber planes blindly bombed a certain city in the Somme district, Northern France, on Sunday and destroyed residences of workers. Up to the present, it has been revealed that 14 were killed and 30 injured. Also, at two suburban points, 12 were killed. No damage was done to military establishments in the district.

China Controls Rice Movement

(Continued from Page 1)

reads.

"The movement of rice within Kiangsu, Chekiang, and Anhwei sectors shall be effected according to the provisions of the Temporary Regulations for the Control of Transportation and Consumption of Rice in Kiangsu, Chekiang and Anhwei Provinces issued on March 12 by the National Government of China.

"The present joint proclamation is issued according to the stipulations of Article 4 of the Temporary Regulations Controling Movement of Commodities in the Lower Reaches of the Yangtze River.

"Additional regulations:

"The present proclamation shall become effective on March 16, 1943."

The temporary regulations controling the transportation and consumption of rice in the three provinces state that official permits are required for the transportation of rice in the three provinces, and in Nanking and Shanghai, and that the permit will entitle their bearers to transport prescribed quantities of rice within the designated areas covered by the control regulations.

The regulations authorize the provisions section of the National Government of China to set and promulgate maximum and minimum prices of rice; when necessary to establish its fixed price; and also to purchase rice cornered, or in the process of transportation.

Wuhan Restrictions Abolished

Domei

HANKOW, March 14.—It was officially announced by Japanese authorities here today that restrictions on the purchasing of rice in the Wuhan area were abolished on March 11. Rice transactions in Wuhan, Kiukiang and surrounding districts had been restricted since the Japanese occupation of the Wuhan area.

Through the lifting of restrictions, the flow of rice from production centers to consuming areas such as Wuhan and Kiukiang has been greatly accelerated while rice prices in these districts had been well stabilized.

The removal of restrictions affects Wuhan, Kiukiang and the surrounding areas alone, transactions in districts along the lower reaches of the Yangtze requiring the permission of competent authorities as before.

The delivery of rice to enemy-controlled areas is also strictly prohibited.

Crafty Britishers Honor Dejected Chiang Envoy

General Hsiung Shih-hui, leader of the Chungking Military Mission to the United States, has been given a sumptuous reception by the British Government upon his arrival in England, according to a Stockholm dispatch to Domei on Thursday in relaying a wire from London.

However, General Hsiung and his mission are achieving nothing but merely receiving repetitions of the empty promises that they received from the United States authorities, who evaded all talks on the counter-offensives against Burma and are doing nothing in the way of ameliorating Chungking's supply problem.

The British Government is making desperate endeavors to humor the Chungking envoy by "honoring" him with an audiende with King George VI at the Buckingham Palace on Thursday and also by giving him a pompous banquet in the presence of Aircraft Production Minister Sir Stafford Cripps, Chief of the Naval Staff Admiral Alfred Dudley Pound, and numerous other British dignitaries.

Nippon Youths Slated To Leave for Nanking

On the occasion of the third anniversary of the return of the National Government of China to Nanking on March 30, the Japan Youth Association will dispatch a delegation to the Chinese capital shortly to express felicitations and also to participate in the organization of a Japan-China Youth Movement there, according to Domei.

The ceremony for the organizing of the Youth Congratulatory Mission to China took place at the Nippon Seinen Kaikan at 12:30 p.m. yesterday. General Takao Suzuki, president of the Nippon Youth Association, delivered a speech in the course of the ceremony.

A group of 20 representatives were selected from all parts of the country and they will leave for Nanking on March 21.

UNITING REBELS SEEN EDEN AIM

Giraud and De Gaulle Problem Thrashed Out In Washington Talk

Domei

STOCKHOLM, March 15.—The unification of the Giraud and De Gaullist puppet regimes is one of the main subjects of discussions at the Anglo-American conference now being held in Washington with British Foreign Secretary Major R. Anthony Eden as the main participant, according to a London dispatch to a local journal.

The report pointed out that Britain is now anxious to realize a satisfactory unification of the anti-Axis front in view of the current war situation.

In the meantime, the British paper, Sunday Observer emphasized that to unify the policies of America and Britain toward the French regimes in North Africa is as important as bringing about an understanding with the Soviet Union.

In this connection, British press circles attribute the stalemated war situation in Tunisia to the unrest of the political situation in North Africa and also to the fact that because the attitude of Spain remains doubtful, a large army is being stationed along the border of Spanish Morocco.

Sees Soviet Danger

Yomiuri-Hochi

BERLIN, March 13.—Various observations are made here as to the mission of British Foreign Secretary Major Anthony Eden who is now on a visit to Washington. Besides mediating between the United States and the Soviet Union, it is conjectured that Eden will confer with American leaders as well as with foreign representatives in Washington in working out measures to solve a number of knotty problems confronting the anti-Axis nations.

In the first place, the British envoy will emphasize the danger of the split between the Soviet Union and other anti-Axis countries and mediate between the former and the United States whose relations have become considerably strained of late due to the so-called "Standley Whirlwind."

Also, it is surmised that he will strive to draw the Soviet Union closer to Britain by promising to comply with the Soviet demands. In this connection, it is reported that Eden will very probably visit Moscow after his stay in Washington and his later visit to Canada. His visit to the Soviet Union is considered as "not impossible" because in the event of his failure to solve the Soviet-American problem during his stay in Washington, he will try to fulfil his aim in Moscow.

To Weaken Reds Strength

With regard to the problems of Asia, the British envoy will elaborate on measures to bring Soviet-Chungking relations closer, some observers opine from the fact that Chungking Foreign Minister T. V. Soong who is still staying in Washington is among the invited conferees with Major Eden. In the background, however, Eden will arrange matters so that the strength of the Soviet Union will be completely exhausted and thus it will not prove a menace to the Anglo-American Powers after the war.

As for general problems, Anglo-American news agencies are publishing with much fanfare many items to be discussed by Eden and American leaders. Among them are included problems pertaining to the establishment of the anti-Axis Supreme Military Council, questions regarding India and Finland and a measure to solve the conflict between the Giraud and De Gaullist factions as well as plans concerning economy, foodstuff and the anti-Axis new order of the world.

All Anglo-American reports received here consider that Eden's stay in the American capital will be considerably long. This supposition indicates the difficulty of the problems to be solved by the British envoy.

Local press and authoritative quarters show hardly any interest in the affair because they consider that there are no problems at present between America and Britain requiring urgent solution and, therefore, no sensational situation will be caused by Eden's visit.

U.S. Occupies Eritrea

Domei

ISTANBUL, March 15.—Eritrea, an Italian colony on the Red Sea, which was occupied by anti-Axis forces toward the end of last year has been recently placed under the control of United States troops and American laws are applied to the district, it is reported from Cairo.

As administrators for the district, many Jews, who migrated from Palestine regions, have been appointed.

Visits Imperial Navy Leader

Prime Minister Tojo, during his recent whirlwind trip to China, stopped off at Shanghai to visit Admiral Zengo Yoshida, Commander-in-Chief of the Japanese Fleet in China Waters. Here he is shown on board the Flagship Izumo, listening to an account of the war activities in the area, immediately following the outbreak of the War of Greater East Asia, from Admiral Yoshida.

(Passed by Navy Ministry)

Great Effect Seen By Wang In Tojo's Visit

(Continued From Page 1)

to establish a solid wartime national structure. We are now effecting a total mustering of the national potentiality which will be concentrated on the prosecution of the war.

"With regard to the policy to be adopted toward Chungking we think it is the keynote to 'win the minds of the people' under Chungking's jurisdiction. I am confident that the Nanking Government can win the confidence of the masses and draw them into our camp, for the principle of our pacification movement has been consistent for the last 13 or 14 years.

Will Ignore Chungking

"We have taken up arms with the view to restoring freedom and independence to China thereby to realize the Greater Asia Principle expounded by the late Dr. Sun Yat-sen, father of the Republic of China. Chungking, however, considers the Greater Asia Principle unnecessary and is laboring as a tool of the Anglo-American Powers. We need not, therefore, think of measures to counter such a regime.

"Some may harbor misgivings as to the tendency of the people, but such doubts will be shattered by the undeniable evidence recently witnessed here. On the occasion of Japan's Army Day which fell on March 10, thousands of citizens of Nanking thronged the local parade ground to witness the military maneuvers. The citizens formerly used to hide in their houses every time the roar of guns or planes were heard. That such people were pleased to see the military maneuvers is an eloquent testimony to the fact that they have been enlightened as to the significance of the War of Greater East Asia as well as to the necessity of Sino-Japanese cooperation.

"I was also told by the students of the Chinese Military Academy who participated in the maneuvers together with the Japanese Forces that they conducted the maneuvers with zeal and pleasure. With these facts in view, I can positively assert that the Chinese people have come to fully realize the ideal of 'Live or Die with Japan.'

"Our first concern now is to make the people display their real capacity. I am confident that when the masses are enlightened to the cause of the nation and display their full potentiality, we will be able to hold a very optimistic view as to the future development of the War of Greater East Asia and the future of Sino-Japanese relations."

Monument for Priest Set

Domei

KAIFENG, March 15.—The stone monument in memory of the noted Japanese Buddhist priest Jojin, who played a role in strengthening cultural ties between Japan and China about 900 years ago, will be erected on May 12, it was learned today.

The monument, three feet wide and 10 feet high, will bear an epitaph composed by the commander of a certain Japanese Unit, which will be inscribed by the Governor of Honan Province, Tien Wen-ping.

The priest Jojin, who died here in 1081, was patronized by Emperor Shentsung of the Sung Dynasty.

Press Comments

(Continued from Page 1)

the war on that vast program, but the Soviet Union has as yet made no expression of opinion on the Atlantic Charter, whether it would accept it or not. Roosevelt and Churchill perhaps intended that Premier Joseph Stalin should attend the Casablanca conference and there stamp his approval on that document. Wise Premier Stalin would not attend and declared that the Soviet Union was opposed to the Polish demand. The United States and Britain were on the horns of dilemma, for if they repudiated the Polish demand they would turn the Atlantic Charter into a scrap of paper, while if they accepted it they would be acting against the wishes of the Soviet Union. As they cannot afford to incur the resentment of the Soviet Union, they are hard put to it to find a solution.

Now, the mere transfer of the seat of the Polish refugee regime cannot be regarded as a sign that the United States is willing to accept the Polish demand. Patchwork of some sort by the United States and Britain will most likely be attempted but in the course of this issue to date it has amply been demonstrated how futile it is for any one to rely on the promises of the United States or Britain. The Polish refugee regime's demand still remains an issue but it may be considered a good specimen of the foolishness of depending on such a faithless lot.

That the United States and Britain think that they can win the war is mere self-conceit on their part, especially the self-conceit of Roosevelt and Churchill. The danger of relying on the promises of such megalomaniacs is obvious! The Polish refugee regime must have realized to its bitter remorse what a colossal blunder it had made in relying on them. The Poles, probably did not make their demand without reason. Powerless as they were, they cooperated with the British and Americans in prosecuting the war and the Polish refugee army organized in England is now cooperating with the Anglo-American forces in Africa.

What is to be the Anglo-American reward for these services? Why can they not accept the Polish demand, anyway? Who will guarantee that no one will advance the argument that it is not the Soviet Union that is denying the Poles their due but the United States and Britain?

Clearly the Atlantic Charter is nothing but phraseology and rhetoric and whenever anyone tries to put it to the test it turns out to be thin air. The Polish quesion is a good specimen of the tragic blunder one would make in relying on the United States and Britain.

BRITISH SHOOT SYRIANS TO QUELL UPRISINGS

Sabotage Rife Against Puppet French Regime

Yomiuri-Hochi

ROME, March 14.—Disturpances are arising at various sections of Syria as the anti-British sentiment of the people has been greatly intensified, and recently revolutionary elements have been conducting demonstrations and sabotage against the puppet French Government, according to reports from Ankara.

The telephone and telegraph lines as well as the railway line between Hama and Homs have all been destroyed, and consequently British military trains fully loaded with troops were derailed causing large casualties. The British authorities instantly ordered the puppet French Government to arrest those who carried out the destruction of the communications facilities and about 200 suspects were arrested.

It is further reported that the British authorities have sent reinforcements to the district and issued an order to the troops to fire upon the people in case of an emergency. Up to the present, 80 persons have been killed and 60 injured by the British troops.

Also at Damascus, a bomb was set and exploded in the residence of the Premier, and although the Premier, being absent from the residence, was safe, many were injured by the explosion.

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KHARKOV'S FALL WORRIES BRITISH

Means German's Advantage to Readjust Strategy, Says Hore-Belisha

Domei

BUENOS AIRES, March 15.—Signs of embarrassment and consternation have how cropped up in the Anglo-American camp because of the Germans' regained activities on the Eastern Front which are apparently proving fairly trying for the proud Soviet troops.

It may be of some interest to know that former British War Secretary Leslie Hore-Belisha writing in the Argentine newspaper, Razon, on Sunday, has expressed a pessimistic view on the outlook of the Eastern Front to the following effect:

"The recapture of Kharkov by the Germans in such a short time after its occupation by the Reds on February 16 has greatly disappointed the anti-Axis camp. Furthermore, the shortening of the first lines by about 1,600 kilometers through the adjustment of the Eastern Front has made Germany considerably advantageous in its strategy. Besides, it is particularly noteworthy that many German divisions, which had been nailed during the winter, have come to launch fresh and active operations.

"I know the United States is frantically recruiting boys to be sent over to the European Continent, but the Washington leaders should know that the most important thing in the present war is to move freely necessary troops at the most decisive moment of the war situation."

British Circles Shocked

Domei

STOCKHOLM, March 15.—British official and civilian circles have been greatly shocked and worried by the report of the complete recapture of Kharkov by the Germans, according to London dispatches to local journals.

The report has given a specially great shock to the British military circles, who have placed a wishful expectation on the defense of the Soviet forces despite the fact that the fall of Kharkov had been presupposed for several days before it actually fell into the German hands, these dispatches reveal.

An atmosphere of grave worry is prevailing among the people who, attaching much importance to the German announcement that the Soviets have suffered tremendous losses, are afraid that the Germans can in the future remove their strength to northern and central fronts now that they have regained the initiative of operations in the southern sector. They are also thinking with a bitter sentiment that the victory will exert a favorable influence on the morale of the German fighting services.

In the meantime, Swedish journals played up the recapture of Kharkov, emphasizing the fact that the war situation has turned in favor of the Reich. One local paper declared that the Soviet offensive in the southern sector of the Eastern Front has ended in a decisive failure.

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Soviet Greed Criticised

Domei

STOCKHOLM, March 15.—The New York Daily News criticised the Soviet Union on its ambition to annex Finland in its editorial published today.

"The Soviet Union is still endeavoring to impress the world that the Soviet-Finland War that broke out toward the end of 1939 was caused by the 'offensive invasion' of Finland," the paper said. "There is no truth in the matter indicating only the Soviet ambition to annex Finland after the conclusion of the present war.

"The Soviet Union is insisting that the peoples of Finland, Poland and the Baltic States would be far happier if their countries are included in Soviet territory. If so, the Atlantic Charter that guarantees the self-determination of small races will have no value. The fulfilment of the Soviet's ambition will only result in sowing seeds for another war."

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Nippon Times

Fight It Out to the Last Man Till America and Britain Are Down and Out

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PREMIER BACK FROM HISTORIC TRIP TO NANKING; ASSURES NATION OF CHINA'S FULL COOPERATION

CALLS ON WANG

Prosecution of War to Successful End, Among Topics Discussed

LEFT HERE MARCH 12

Main Purpose of Epoch-Making Trip Was to Return Courtesy Of Wang's Visit

After exchanging frank opinions in Nanking with leaders of the National Government on the prosecution of the common war to a successful conclusion, Prime Minister Hideki Tojo returned to Japan on Monday. His historic visit was made for the purpose of returning the courtesy of President Wang Ching-wei who visited this country late last year.

The Board of Information at 11:40 a.m. Monday issued the following announcement regarding the epochal event:

"Prime Minister General Hideki Tojo, concurrently War Minister, left Tokyo on March 12 for Nanking and returned on March 15 by way of Shanghai. His visit was to return the courtesy of President Wang Ching-wei of the National Government of China and concurrently President of that Government, who visited Japan late last year, to pay his respects in person to China for its declaration of war on the United States and Britain, to exchange unreserved opinions with leaders of the National Government on measures concerning the prosecution of the common war to a victorious finish, and also to inspect various Japanese organs on the spot."

Accompanied by Eight

Taking advantage of the adjournment of the present Diet session, Prime Minister Tojo visited Nanking to realize his cherished hope and, accompanied by a suite of eight, including Major-General Kenryo Sato, Director of the Military Affairs Bureau of the War Ministry, and others, left Tokyo on the morning of March 12. Stopping at Fukuoka overnight, the Prime Minister and his party arrived in Nanking on the afternoon of March 13.

In his capacity as Prime Minister, General Tojo called on President Wang of the National Government at 5:30 p.m. on the same day. He expressed his courteous thanks to President Wang for the latter's visit to Japan late last year and then heartily offered his congratulations to the President on the spirited and impressive participation of the National Government in the war of annihilating the common enemies, the United States and Britain.

On the same night Prime Minister Tojo attended an elaborate dinner under the sponsorship of President Wang in the Great Ceremony Hall. The event was a truly significant one for the history of Sino-Japanese intercourse and friendship.

Prime Minister Tojo received a formal call from President Wang in the capacity of President of the Executive Yuan in the Welcome Guest Hall at 9:30 a.m. on March 14. The Prime Ministers of the two countries sat together for a long time during which they discussed vital affairs on the prosecution of the common war to a successful finish and expressed the immutable resolution and indomitable will of the two friendly nations to annihilate their implacable enemies, the United States and Britain, through closer cooperation and by means of their total strength. The significant meeting thus ended.

On the same afternoon Prime Minister Tojo left Nanking for Shanghai where he stopped overnight, and on Monday morning he and his party returned to Fukuoka from Shanghai. At Fukuoka Prime Minister Tojo issued a statement to the Japanese nation. The visit of Prime Minister Tojo has added a great degree of intimacy and friendly feeling to the Japan-China relations and this in turn has consolidated the close unity of the two nations all the more.

Prime Minister General Hideki Tojo visited President Wang Ching-wei on March 13, at 5:30 p.m. for the first time during his visit. The

(Continued on Page 2)

CRUSHING BLOW DEALT SOVIETS NEAR KHARKOV

Fierce Battle Still Rages in Big Donetz Bend—Germans Continue to Advance

REDS ARE BEING ENCIRCLED

Considerable Importance Is Placed by German Observers On Latest Developments

(Special to the Nippon Times)

FUEHRER'S HEADQUARTERS, March 14.—The German counter-attack on the southern wing of the Eastern Front in the course of which during weeks of strenuous struggles the enemy was chased back across the Donetz was crowned by oustanding success on Sunday. After days of embittered fighting, divisions of the Waffen Storm Troopers effectively supported by the Luftwaffe, reoccupied Kharkov in a pincer movement, launched from the north and from the east. The losses of the enemy in men and material cannot as yet be ascertained.

The German operations along the southern wing of the Eastern Front continue to dominate the situation on the whole of the Eastern Front. Despite increased muddiness yesterday, considerable progress was made. Major Soviet groups were overtaken and encircled. They were wiped out by the German infantry formations following in the rear. Considerable Soviet formations were overtaken and cut off from their rear communications. Their fate may be considered sealed since they are unable to replenish their stores in food and ammunition.

Although final figures are not yet known, it seems certain that the battle of Kharkov may be considered as a first class battle of annihilation. The Soviets evidently did not succeed in withdrawing their formations on account of the change of weather and the violence of the German advance.

Soviets Pushed Back

The fighting on the southern wing, therefore, means for the Soviets not only the frustration of their offensive aims as well as the loss of important areas but also the destruction of considerable fighting forces as well as enormous amounts of material.

The fighting raging in the northwest, north and south of Kharkov is being continued and especially the fighting in the big Donetz bend is of considerable importance. The German spearheads are making incessant progress and by the capture of Borrissovka in addition to the advance west of Bjelgorod, the ground gained was considerably extended. The entire sector of Kharkov is now well in the hands of the Germans.

The events in the central and northern sectors continue to be affected by the German advance in the south. The heavy losses have compelled the enemy to withdraw troops from the southern front and to leave the initiative to the Germans. This applies particularly to the Kursk area where the German forces have extended their operations to the east penetrating deeply into the retreating enemy columns. Thus, numerous enemy bases were captured.

In the Areal area the Soviet attacks against the German lines were all repelled, while the areas of troop deployments of the enemy were bombed by the Luftwaffe. In the Sukhinishi area, considerable ground was gained by the German forces who succeeded in establishing a bridgehead on the eastern flank of the river.

At the Kuban bridgehead, the Soviet masses made repeated storming attacks against the German defense front. The Soviets attempted either to encircle the German barrier positions on the lower Kuban or to destroy them in direct frontal attacks.

Soviet Offensive Smashed

After the German and their allied formations had already been withdrawn from the northern Cau-

(Continued on Page 3)

Prime Minister Tojo Meets Leaders of China

A photograph taken following the historic meeting in the Grand Ceremony Hall in Nanking when Prime Minister Hideki Tojo met President Wang Ching-wei and other leaders of China. On the extreme left is Ambassador Mamoru Shigemitsu. Prime Minister Tojo stands next to him. Mr. Cheng Kung-po, President of the Legislative Yuan is in the center. President Wang is the third figure from the right.

Tojo Affirms War Ties; Lauds China's Progress

Pledges Further Aid to Republic; Stresses Japan's Resolve to Fight War to Successful Conclusion

Domei

NANKING, March 15.—The historic visit here by Prime Minister General Hideki Tojo, the first to be made to China by a Japanese Premier, on March 13 to return the recent call made by President Wang Ching-wei and to confer with leaders of the National Government was revealed today.

Authoritative circles described the visit as a testimonial to the deep interest shown by the Japanese Government in the development of the National Government, a visit that will have profound influence in strengthening greatly the National Government's political power. They also attached the greatest importance to the meeting between the Japanese Prime Minister and President Wang in which measures to prosecute the war against the United States and Britain and measures regarding the future of China as well as East Asia were discussed.

Premier Tojo's visit will be an inspiration to all the East Asiatic races in the Co-Prosperity Sphere, the same circles said.

Former Visits Recalled

In connection with Japan's immutable policy of giving all-out cooperation to the growth of the National Government of China, it was pointed out that in March, 1940, former Premier General Nobuyuki Abe and his party came here on an official mission felicitating the reestablishment of the National Government, and that in September last year, former Premier Baron Kiichiro Hiranuma, former Foreign Minister Hachiro Arita and former Communications Minister Ryutaro Nagai visited Nanking as Special Ambassadors on a Goodwill Mission to return the courtesy visit made previously by Foreign Minister Chu Min-yi.

Speaking at the welcome dinner given in his honor here by President Wang on the evening of March 13, Prime Minister Tojo praised the great progress which the National Government has achieved under the leadership of President Wang.

The gist of Prime Minister Tojo's speech follows:

"I am visiting your country in order to return the call which President Wang Ching-wei made to Japan last December and also to pay my respects to the National Government of China which on January 9 declared war upon Britain and the United States, the two common enemies of Greater East Asia. I also wish to have frank heart-to-heart talks with President Wang Ching-wei and other government leaders on this occasion.

Impressed by Progress

"I have been deeply impressed with the remarkable progress which the people of your country, under the able guidance of President Wang Ching-wei, have been making.

"On this occasion, I wish to pay my profound respect for the earnest efforts which your Government and people have been making. Japan sincerely hopes that your country, through the declaration of war upon the United States and Britain, will make a new and energetic development and contribute to the successful consummation of the War of Greater East Asia which is the common objective of our two countries.

"For this purpose, Japan has been making strenuous efforts for the establishment of Sino-Japanese relations sufficient for coping with the new age on the fundamental spirit of Sino-Japanese collaboration.

"At the same time, the Japanese Government is resolved to give new consideration to future Sino-Japanese relations on the basis of the existing treaties.

"In Greater East Asia, Japanese Forces have completely captured Anglo-American and Dutch bases, and have thus successfully completed

(Continued on Page 4)

Wang Pledges Support At Dinner Honoring Tojo

President of Nanking Government Expresses Joy Over Unprecedented Visit by Premier of Japan

Domei

NANKING, March 15.—Deep appreciation of Japan's support and immutable determination of the National Government of China to contribute to Japan's mission of creating a common prosperity order in East Asia comprised the keynote of President Wang Ching-wei's address given on the evening of March 13 at the banquet he gave here in honor of Prime Minister General Hideki Tojo.

The gist of President Wang's speech follows:

"I am overwhelmed with emotion and gratitude over the fact that His Excellency Prime Minister General Hideki Tojo has taken time out of His Excellency's busy routine to visit our country. I am convinced this will go a long way to bolster Sino-Japanese relations and greatly facilitate the joint prosecution of the War of Greater East Asia.

"At the time of my visit to Tokyo in December of last year, I was given illuminating and optimistic enlightenment regarding the future of the War of Greater East Asia, and when I expressed the determination of the National Government of China to enter the war, His Excellency was pleased to recognize this fervor of ours and to give us immeasurable encouragement.

Feel Power Lacking

"For this too, the National Government of China and the Chinese people feel the sincerest gratitude. At the same time, the National Government felt all too clearly since its declaration of war, its sad lack of power, and worried to no small measures whether it could fully cooperate with Japan.

"However, His Excellency Prime Minister Tojo has given his sympathetic understanding to this shortcoming of ours.

"The retrocession of concessions and relinquishment of extraterritoriality effected by Japan on January 9 realized for China its fervent desire of many years.

"The people of China as well as all our fellow Asiatics will long remember the fact that Japan took this magnanimous step on its own initiative in spite of the fact that we of China expected nothing from our entry into the War of Greater East Asia.

"We deeply regret that we are not able to entertain His Excellency Prime Minister Tojo fully although he has come very far to pay us a visit, but we have one thing which should gladden His Excellency. It is that, thanks to the kind support given by Ambassador Mamoru Shigemitsu and General Shunroku Hata ever since the entrance of the National Government into the war, and thanks to the close relationship we were fortunate enough to maintain, the National Government is now showing smooth progress in the political, economic, cultural and all other fields.

Chinese Understand Destiny

"Another matter which I am sure should gladden Premier Tojo is the fact that the Chinese people now possess an absolute and concrete understanding regarding their destiny in the War of Greater East Asia.

"In the traditional practice skirmish of Japanese troops here on Army Day, March 10, the students of the Chinese military academy volunteered to take part in the mimic battle while the Chinese residents here broke all past traditions by going to view the affair in great numbers.

"This determination and attitude of the Chinese people are something which has been unheard of in the past and graphically represents the fact that the people fully recognize and understand the destiny of Sino-Japanese relationship and also the

(Continued on Page 4)

Today's Press Comments

Tuesday, March 16, 1943

(Excerpts from important editorials which are appearing this morning in the leading vernaculars are published herewith. Translations of other editorials will be found daily in the Evening Edition of the Nippon Times.)

Tojo's Nanking Visit

ASAHI—Prime Minister and concurrently War Minister General Hideki Tojo visited Nanking on March 13 and returned on March 15 after having held intimate conversations with President Wang Ching-wei and other Nanking leaders. Not only is a visit of a Prime Minister of Japan to a foreign nation in wartime an unprecedented happening but in view of the present relationship between Japan and China, the Prime Minister's visit to China has a very important significance, and much must be expected to come about from this trip.

With China's entry into the war as the center, the relationship between Japan and China has now been truly bound with the determination to work jointly, as one, to carry out successfully the War of Greater East Asia. It is needless to say that the new policy to China is based on the firmly-held-to policy, since the Konoye declaration, to

(Continued on Page 2)

AMERICAN NAVY REVEALS PART OF WAR LOSSES

Gives Partial Details of Results In Sea Battles in Solomons Area

U.S. DECEPTION BARED

Glaring Discrepancy Seen in Figures; Only 32 Warships, 35 Transports Said Sunk

The United States Navy Department on March 13 made public part of the damages suffered by the American navy during a series of fierce battles that were fought between August 8, 1942, or the First Battle of the Solomons, to the Battle Off Rennell on February 7, according to a Buenos Aires dispatch to Domei.

The damages as admitted by the American navy in the Solomons follow:

Aircraft carriers	2	Sunk
Heavy cruisers	4	Sunk
Light cruisers	3	Sunk
Destroyers	13	Sunk
Other warships	10	Sunk
Total	32	Sunk
Heavy cruiser	1	Damaged
Light cruiser	1	Damaged
Destroyers	3	Damaged
Total	5	Damaged

One destroyer and one submarine have not yet returned to their bases and are confirmed as lost.

In addition the United States Navy Department gave the following names to the engagements fought in the Solomons area.

1. Battle off Savo Island (Night sea battle on August 8 and 9)
2. Battle off the Eastern Solomons Group (Sea and air battles on August 23 and 25)
3. Battle off Cape Esperance (Night battle on October 11 and 12)
4. Battle off Santa Cruz (Sea and air battles on October 26)
5. Battle off Guadalcanal (Sea and air battles from November 13 to 15)
6. Battle off Lunga (Night battle between November 30 and December 1)

U.S. Hypocrisy Bared

The United States Government has again betrayed its pitiable lack of resourcefulness even in telling lies by admitting the loss or damage to 39 warships of every description but concealing with ridiculous tenacity its loss of battleships, says a Domei comment on the United States Navy Department communique giving its losses.

Since the first Battle of the Solomons up to the Battle off Rennell, that is, between August 7 last year and Februaray 7 this year, the United States Navy lost in the South Pacific area centering on the Solomon Islands and New Guinea, 98 warships sunk, 42 others damaged, 33 merchant ships sunk and eight others damaged. It also suffered 1,311 aircraft shot down or destroyed on the ground. In view of this irreparable damage to its fleet, the United States has been conducting persistent counter-offensives by air, depending on aircraft which are easier to replace than warships. Thus its remaining ships have been concealed far outside the flying radius of Japan's mighty air force.

The United States would have, if it had any choice, kept all the losses secret or juggled with the figures so as to delude its people or the rest of the world but in the face of the matchless speed and accuracy of Imperial Headquarters communiques, even its most cherished lies have been of no avail and it has found that some portion of the truth must be told.

Even in America itself the attitude of the Navy Department has been under a scathing fire of criticism, as seen in such sarcasms as "the mystery battle off Savo."

Small Part Revealed

Taking advantage of the fact that the United States has recently taken to air fighting in the South Pacific area because of its heavy loss of ships, so that criticisms against the Navy have come to a lull, the Navy Department announced on March 13

(Continued on Page 2)

VISIT A SUCCESS

Tojo Avers All Chinese Resolved to 'Live or Die' With Japan

TALKED WITH LEADERS

Prime Minister Pays Respect To Nippon Armed Forces Fighting Sacred War

Prime Minister General Hideki Tojo, returning to Fukuoka yesterday from Shanghai after his epoch making visit to Nanking, declared that the officials and people of the National Government of China are resolutely determined to rise or fall with Japan and are exerting their utmost efforts to contribute to the successful consummation of the War of Greater East Asia.

This conviction, the Prime Minister revealed, he had obtained as the result of his conversations with President Wang Ching-wei and other leaders of the National Government and of his observations while on his visit.

The visit—the first made to China by a Prime Minister of Japan while in service—created a profound impression on people throughout China and the whole of East Asia as indicative of Japan's immutable policy for China to attain its sovereignty and become an important member of the Greater East Asia Co-Prosperity Sphere.

The Prime Minister's statement, made verbally, was as follows:

"I had long been desirous of taking an early opportunity of visiting China to return the courtesy made by President Wang Ching-wei in coming to these shores last year, pay my respect in person for the action of China in declaring war on the United States and Britain, and have a frank exchange of views with the leaders of the National Government on what is to be done in order to have the joint war effort crowned with complete success.

Happy He Made Visit

"I am immensely delighted that I have been able to realize this long-cherished desire of mine, although the visit was only for a very short duration.

"It is the fervent prayer of Japan that the declaration of war will be the occasion for China to attain full autonomy and independence and contribute to its heart's content toward bringing to a conclusively successful end the War of Greater East Asia which is developing in a manner which gives us beautiful confidence.

"Japan had resolved to establish relations with China according to a new situation which had arisen.

"To promote the achievement of the end, it returned to the National Government all concessions under sole Japanese management in China, recognized the transfer to the National Government of the International Settlement of Shanghai, the International Settlement of Amoy, and legation quarters in Peking, and relinquished extraterritorial rights in China. In addition, it made manifest its intention of following a friendly attitude in the disposal of enemy property in China, and in dealing with all matters bearing on the relationship with China. These intentions are getting practiced one by one.

"Japan also is determined on giving fresh consideration to various existing treaties and agreements with China with the development of Japanese-Chinese relations in the same spirit that inspired what it has done thus far to China.

Saw Actual Conditions

"While I was in China I came into contact with the actual conditions which have been prevailing in that country since it entered the war. I had heart-to-heart talks with the men in responsible positions in the National Government about the method of bringing the common war to a thoroughly victorious conclusion.

"The feeling came on me that all Chinese, from President Wang and all leaders of the National Government downward to the smallest men, were in full response to the sincere attitude of Japan toward China as demonstrated in steps it has taken with regard to China, and that as

(Continued on Page 2)

HISTORIC MEETING IS HELD IN NANKING

(Continued From Page 1)

meeting, carried on in an atmosphere of utmost friendliness and solidarity, ended at 6:05 p.m. The following is a Domei correspondent's account of the Prime Minister's visit:

First Meeting Described

The bright spring sun and deep blue skies looked down on Nanking when Prime Minister Tojo on March 13, arrived in the Chinese capital on a visit whose importance is unprecedented in Eastern history. The Prime Minister's quarters during his stay, the National Guest Hall, although quiet and enwrapped in a dignified atmosphere, showed a certain stream of excitement in welcoming the Prime Minister of China's ally, Japan.

At exactly 5:20 p.m., Prime Minister Tojo, accompanied by Major-General Kenryo Sato, Director of Military Affairs of the War Ministry, and by Ambassador Mamoru Shigemitsu, left his quarters to pay a call on President Wang Ching-wei. Driving through the streets of the Chinese capital, the Prime Minister showed that he was impressed by the powerful, active atmosphere prevailing in Nanking.

As the Prime Minister's car came before the entrance of President Wang's official residence, the black steel gates opened silently to admit the vehicle. The time was 5:30 p.m. In the garden near the entrance bloomed pink plum blossoms, and a soft fragrance filled the air.

Youthful-looking President Wang stood by the door in the warm sunlight, flanked by Chen Kung-po, President of the Legislative Yuan, Chu Min-yi, Foreign Minister, and other Chinese leaders. President Wang's face bore an expression of extreme pleasure in being able to welcome Prime Minister Tojo.

Greeting the field-capped and active looking Prime Minister Tojo with a smile as he alighted from his car President Wang walked quickly with his guest at his side into the interior of the building. The meeting between the two leaders took place in the reception hall on the first floor. To the left of Prime Minister Tojo and President Wang sitting next to each other at a table sat Ambassador Shigemitsu, Major-General Sato and others, and to the right were seated President of the Legislative Yuan Chen, Foreign Minister Chu and others.

After the group drank a toast to the National Government's war entry and to the glorious future of China and Japan, Prime Minister Tojo through interpreters thanked President Wang for his recent visit to Japan and expressed his respect for the National Government's entry into the war, and at the same time delivered words of encouragement. Nodding to each point in the Premier's address, President Wang then offered warm thanks for Japan's tremendous cooperation and help.

Informal conversations continued and even occasional sounds of laughter broke the quiet of the residence. The pledge of complete Japanese-Chinese solidarity was sealed in this friendly round table conference. After a while, Prime Minister Tojo took a match lighted by President Wang, lighted his cigarette, and enwrapped in blue smoke closed his eyes in thought. The distant city-noises sounded like hammers beating out the rhythm of Greater East Asiatic construction.

Thus the meeting between the two heads ended ten minutes later than schedule, in an atmosphere of utmost friendliness and solidarity. The time was 6:05 p.m. President Wang saw Prime Minister Tojo to the entrance and watched until his car disappeared into the evening.

American Navy Reveals Part Of War Losses

(Continued from Page 1)

part of the losses it suffered since the first Solomons battle up to the battle off Rennell and the official names of the battle fought.

According to these American figures, the United States lost in the Solomons area two aircraft-carriers, four heavy cruisers, three light cruisers, 13 destroyers and 10 other ships, totalling 32 ships, sunk; one heavy cruiser, one light cruiser and three destroyers, totalling five ships, damaged; one destroyer and one submarine missing, 35 merchant ships sunk and four others wrecked. These figures, of course, are only part of the amazing losses it actually suffered in the period under notice.

The Navy Department on October 26 last year had announced, the heavy cruisers Quincy, Vincennes and Astoria have been sunk; on January 11 the Northampton sunk and on February 16 the Chicago sunk, all in the Solomons area. Thus it is seen that already five heavy cruisers had been admittedly sunk in previous communiques, whereas the Navy Department, in its avowedly summary of figures, gives only four. Similar inability to do simple arithmetic can be perceived in other parts of the communique. That the Navy Department has made no mention at all of the appalling losses in battleships shows that it is extremely fearful lest the truth should inflict a severe moral blow on the American people but it, at the same time, is liable to undermine its shipbuilding program for the future.

Huge Losses Hidden

This is the first time that official names, such as the Battle off Savo Island, have been given to various sea battles, but this too must be regarded as baring the fact that tremendous losses were suffered during the six months fighting for the meaningless security of Guadalcanal. Battles, such as the Battle off Savo Island, were fought in connection with America's sending of supplies to Guadalcanal, and the Imperial Forces' movement from Guadalcanal rendered these American efforts and sacrifices completely meaningless.

It is recalled that toward the early part of this month, America's secretary of navy, Frank Knox, boasted with words tinged with fantasy. "America has built twice as many battleships as it has lost in Pacific waters since the outbreak of war. A two-ocean navy is no longer enough for America; we must have a seven-seas navy. The shipbuilding program has been speeded up tremendously, and by the end of 1943, we will have, not counting those sunk in the past 4,000 warships." That this was followed right up with this announcement of losses shows America's deceiving policy.

But no matter what sort of trick is tried, a deceiving policy will remain eternally a deceiving policy in face of solemn facts. Minus is eternally minus. The losses announced are only partial, but the fact that their own government admits the that 39 warships and 39 transports were sunk or damaged will be a terrific psychological blow to the Americans. And when the Americans consider that there are other losses still being kept secret, that numerous men have met death with these vessels, and that all these sacrifices had in the result absolutely no meaning, their unrest will be chaotic.

BUILDING A NEW CHINA

Japan's Efforts in the Reconstruction of China Clearly Evident in the Decision To Retrocede its Concessions on March 30—Italy and France Expected to Follow Suit

With Japan's actual retrocession of Concessions in China set for March 30, it is only natural that both Italy and France, which declared for retrocession of their Concessions on January 14 and February 23, respectively should follow suit in the near future, well-informed observers declared, states Domei.

When Italy and France follow Japan's lead, it will mean the complete disappearance of exclusive foreign concessions in China.

It is particularily significant that the Japanese retrocession will be effected on March 30, the third anniversary of the return of the National capitol to Nanking.

The announcement on Sunday is concrete proof of Japan's early fulfilment of her promise, according to these observers.

As indicated in Article One of the agreement of details, as the first step, Japan will return the administrative rights in the eight concessions of Hangchow, Soochow, Hankow, Shasi, Tientsin, Fuchow, Amoy and Chungking. All of these Concessions, with the exception of Shasi and Chungking, it was pointed out, are within the occupied territories under Japanese Forces. Moreover, those in Shasi and Chungking have been actually of very little value.

It will be seen from this fact that Japan's present action differs essentially from the empty promises made by the United States in its declaration of January 12 for the return of her Concessions to the Chungking regime, these observers declared.

The transfer of roads, bridges and other facilities, without compensation to Japan, as provided for in Article Two is another proof of Japan's fair and ethical attitude toward China, these observers asserted.

Likewise, the transfer of accessory fixed equipment such as street lights, clocks and safety zones mentioned in Item Three of the Terms of Understanding; will be made without compensation to Japan.

With regard to the protection of the interests of Japanese residents in the Concession, a reasonable disposition will be made in accordance with the provisions of Article Three of the Arrangements and, as provided in Item Four of the Understanding, particulars will be arranged hereafter between Japanese and Chinese authorities on the spot.

Building New China

Domei

NANKING, March 15.—The retrocession of Japanese Concessions to the National Government of China is a clear proof of the constant effort made by Japan for the reconstruction of New China, declared Masaomi Yoshitomi, spokesman of the Japanese Embassy in China, yesterday.

The gist of his statement issued on the occasion of the signing of the arrangements necessary for the retrocession of Japanese Concessions yesterday follows:

"By arrangements which were signed today, Japanese Concessions in China will be retroceded to the National Government of China on March 30.

Concession System Traced

"It is recalled that the concession system in China originated from the Nanking Treaty which was signed by China and Britain in August, 1842. The similar concession system in Japan was attributable to the Japanese-American Commercial Treaty signed in June, 1858. Thus, almost at the same time, Japan and China were forced to conclude extremely unfair and unilateral treaties by Britain and the United States.

"Ever since, both Japan and China followed the common history of constant and strenuous efforts for the abolition of concessions.

"By means of long and tedious efforts which extended from 1894 to 1911, Japan succeeded in liquidating the unfair treaties. Japan since has been extremely sympathetic with the position of China, and has been constantly praying for the early return of complete independence to China.

"Thus, in the course of the Customs Conference in Peking, Japan was the first of the Powers to recognize the restoration of the autonomous tariff system in China. With the establishment of the National Government of China at Nanking, Japan immediately promised the abolition of extraterritoriality in China and the retrocession of Japanese Concessions.

Stronger China Realized

"In the Sino-Japanese Agreement signed on January 9 this year Japan agreed to the return of the Legation quarters in Peking as well as the concessions in Shanghai and Amoy. And as the first step, the Japanese Government now has decided to return Japanese Concessions. Through the present action on the part of Japan, China will be enabled to make another concrete advance in its political, economic and cultural spheres of activities.

"On this occasion, the Japanese Government expects that China will redouble its efforts for the promotion of the welfare of the Japanese residents in China and the enhancement of the Sino-Japanese collaboration, thereby further strengthening the combined fighting power against the common enemy.

"At the same time, the Japanese residents in China are urged to act in full understanding of the inseparable relations between Japan and China.

"Through such close collaboration between Japan and China, the sphere of activities of the Japanese residents in China will become wider and further stabilized and the great principle of Hakko Iu will be completely realized.

'It is earnestly hoped that on this significant occasion, the peoples of Japan and China will abide by the basic objective of the present Japanese action so that the Sino-Japanese friendship, which serves as the basis of Sino-Japanese political relations, may be further promoted and the goal of the China Affair may be thoroughly achieved."

Advises Tientsin Japanese

Domei

TIENTSIN, March 14.—Japanese residents in Tientsin were urged to rely on Chinese good faith and to conform with Japan's national policy in a statement issued today by the Japanese Consulate-General here following the signing of the arrangement of details for the retrocession of Japanese Concessions in China.

With the retrocession on March 30, not only the police power and jurisdiction of roads but ownership as well of roads, bridges, sewage system and other facilities will be turned over to China, the statement pointed out.

China has the determination and the good faith to maintain, at least, the present status with regard to the maintenance and management of administration in the old Concession area, the statement added, while the interests of Japanese residents will be protected.

Japan, on the other hand, is prepared to extend assistance and cooperation for the attainment of this end. In Tientsin, particulars for the transfer are now under discussion between local Sino-Japanese authorities with these aims in mind.

There is no need for any apprehension by Japanese residents with regard to measures taken for retrocession of concessions, rather they should rejoice in the fact that inseparable Sino-Japanese relations will be further strengthened.

The statement further urged Japanese residents to conform with Japan's national policy and strive toward the promotion of Sino-Japanese friendship and economic collaboration.

North China Grateful

Domei

PEKING, March 14.—The retrocession of the Japanese Concession in Tientsin will brighten the prospects for North China to fulfill its economic mission in East Asia, declared well-informed local observers today.

The retrocession of Japanese Concessions in China, particularily in Tientsin, will mean the transfer of excellent establishments long under the management of Japan.

Japan has clarified her true intention by the voluntary retrocession of her concessions to the 100,000,000 people in North China. The step taken by Japan will serve to strengthen the determination of the Chinese people to successfully prosecute the current War of Greater East Asia to a successful conclusion, these observers commented.

By this decisive step, Japan has smashed Chungking's anti-Japanese propaganda by deeds rather than empty promise.

PREMIER TOJO'S TRIP ENDS SUCCESSFULLY

(Continued from Page 1)

the people of a nation of Greater East Asia they were in firm resolution to share the joys and sorrows of Japan and live and die with the Japanese.

"I felt immeasurably reassured at the sight of actual Japan and China each quite ready to respond to the display of sincerity by the other."

"Japan has from old times been a nation of faith. It has been a nation loyal to friends.

"The fundamental policy toward China which has been decided upon by Japan to help the construction of Greater East Asia at a time when the world stands at a great turning point will be given rigorous concrete expression as the war situation progresses.

"I have no need of reminding the fact that Japan has already established the foundations of certain victory and non-defeat, that the war is progressing favorably for us, and that we have a firm conviction that we will emerge from the war completely victorious.

"There is not the slightest doubt in my mind that the people of China who have up to the present time done harm to themselves through reliance upon America and Britain will awaken to the new situation in relations between Japan and China and be only too glad to gather together under President Wang.

"I take the opportunity of stating that I was freshly impressed by the sight of the officers and men of the Imperial Army in China putting up a daring fighting incessantly, and of expressing my profoundest thanks to those officers and men.

Praises Military and People

"I also offer my greatest respect to the military and people of Japan in China who are doing their utmost to help make the policies of Japan succeed.

"I feel sympathy with the Japanese nationals in China as a whole as I think of the difficulties under which they will have to live as Japan's new policy toward China is placed in effect. We are ready to give full consideration to measures necessary to remedy any such contingency."

Anti-Axis Generals Meet

Lieutenant-General George C. Kenny, commander of the Anti-Axis air forces in the southwestern Pacific, and Lieutenant-General Richard Sutherland, chief of the Anti-Axis general staff, are holding conferences relative to the war situations in the southwestern Pacific, it was announced by the Anti-Axis Headquarters for the southwestern Pacific on Friday, according to a Lisbon dispatch to Domei.

Stahmer Visits Hoshino

Dr. Heinrich G. Stahmer, German Ambassador to Tokyo, on Monday morning made a courtesy call on Naoki Hoshino, Chief Cabinet Secretary, at the Prime Minister's official residence.

ANTI-AXIS RIVALRY

By a Staff Writer

The Anti-Axis camp is a patched-up affair after all.

At the moment the countries comprising it, notably America and Britain, are wrangling over the question of which should be dominant in the air after the war. The interesting thing is the liveliness with which this question, which could not conceivably arise as a matter of practice, is discussed by the Americans and the British.

It may sound strange to the uninitiated that of all the Anti-Axis countries America and Britain, while professing their interest in the maintenance of a common front against the Axis, should be in dispute over the remotest question of which should possess mastery of the air after the war is over. From the first these Anglo-Saxon nations were actuated by none but self-seeking motives. They got involved with the Axis just to promote their exclusive interests.

It is the mutual distrust of the Anti-Axis countries that is in the background of all the discussions they are having on matters that relate to the actualities of the war situation. The true relationship existing among the countries opposed to the Axis is to be gauged in the fact that while on the one hand they are fighting their common enemy they are on the other hand carrying on a deadly feud with one another.

On the authority of the New York correspondent of the London Daily Mail, it will not puzzle close observers in both America and Britain if the two governments should break with each other over the question of which should reign supreme in the air after the war. The correspondent makes no concealment of the fact that he does not remember any question more explosive in nature having arisen between the countries since the outbreak of the war. He is positive that the Anti-Axis conference which is being arranged by the statesmen of America and Britain will take up this question as soon as it gets down to business. The same correspondent is the authority for the statement that of all American statesmen Vice-President Wallace betrays the keenest interest in this question of air supremacy after the war.

Government circles in America, according to the correspondent, are showing irritation over the mystery with which the Soviet Government elects to surround the plan for the course it intends to pursue in dealing with the question of the world's air routes after the war. In America an exhaustive study of how the world air routes after the war should be operated has already been made by the International Aviation Committee. This body would have the American Government move at the coming Anti-Axis conference to have the Anti-Axis countries concede rights on air bases and other rights of like nature to America in the way of part repayment for American aid in the war. The other matters which this committee would have the American Government broach at the conference are:

1. An international agreement on air routes is to be concluded. All negotiations between any two countries in the Anti-Axis group on the question of air routes are to be guided by the provisions of the agreement.

2. The freedom of the air should be curtailed to a certain extent.

3. An American sphere of influence in the air should be established.

According to a report carried by the London Daily Telegraph, the Federation of British Chamber of Commerce and other organizations interested in the advancement of British business have issued a joint statement voicing objection to what has been worked out by the International Aviation Committee in America for submission to the coming Anti-Axis conference. The statement questions the accuracy of the phrase "freedom of the air" used by the committee. It insists that freedom of the air, if it means anything, should include the freedom of passage, freedom of installation of equipment, and freedom of commerce by the air.

Today's Press Comments

(Continued from Page 1)

restore China's independence and to aid its development and progress. The abolition of extraterritoriality the return of concessions, and the transfer of enemy assets, all are based on this spirit. And it is known to all that the National Government understands Japan's sincere will and is cooperating completely for the destruction of America and Britain.

Upon his return to Fukuoka, Prime Minister Tojo declared that Japan was ready to do more, accompanying the progress of Japanese-Chinese cooperation. It is clear that the Prime Minister's visit makes clear further to the people of China that Japan's policy toward China is based on comradeship and an East Asiatic awakening. At the same time it was further made clear to the world that Japanese-Chinese unity is unshakable, and Chungking has lost further its excuse for resistance.

Significance of Prime Minister Tojo's Visit to Nanking

NIPPON SANGYO—The relations of Japan and China, which are bound to rise or fall together, developed after the visit of President Wang Ching-wei of the National Government to Japan toward the close of last year. They developed still further following the declaration of war on America and Britain by the National Government. It is only natural that the people of Japan should be keenly interested in the state of things in China which, along with Japan, is conducting the War of Greater East Asia. It was only proper for Prime Minister Hideki Tojo to visit China and talk over matters of common interest with the leader of the National Government. The Prime Minister's visit was a further demonstration of the fact that Japan and China are determined to stand at each other's side until the common foes, America and Britain, have been crushed.

In going to China the Prime Minister showed himself as a man who practices what he professes. His visit to Nanking was enough to convey to the people of China the extent to which Japan is interested in seeing the National Government make a healthy development. The present relationship of Japan and China is one which it would be difficult to match in the history of international relations.

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TRUE REASON GIVEN OF EDEN'S MISSION

British Foreign Secretary Seeks To Mediate Between U.S. And Soviet Union

There is no shadow of doubt that the objective of British Foreign Secretary Major R. Anthony Eden's visit to Washington is connected with his attempt to mediate between the United States and the Soviet Union, whose relations have become considerably strained of late out of the so-called "Standley Whirlwind". This fact was revealed by Eden's statement to a group of American newspapermen after his interview with American Secretary of State Cordell Hull, according to a Buenos Aires dispatch to Domei.

Eden told the newspapermen that all existing misgivings among the Anti-Axis nations must be removed so as to prevent the situation from assuming more serious proportions.

Immediately on his arrival at Washington, Eden saw British Ambassador Lord Halifax and then was visited by the Canadian, Australian, New Zealand and the Union of South African Ministers there.

Conferred With Roosevelt

On Saturday morning, he interviewed Hull and on the same night he called on President Roosevelt at the White House, where he had a talk with Roosevelt for a long time. It is said that on the eve of his departure for Washington, Eden made some arrangement with Soviet Ambassador Ivan Maisky in London and in Washington, he is expected to see Soviet Ambasasdor Maxim Litvinov.

Meanwhile, a United Press dispatch from Washington to Buenos Aires reveals the existing unfavorable relations among Britain, the United States and Soviet Union in the following strain:

"The relations between the Anglo American camp and Soviet Union for the past one year have failed to improve in spite of the fact that both America and Britain aided the Soviet Union with an enormous amount of munitions supplies. The British relations with the Soviet Union, however, are more friendly than the American-Soviet relations in official and private circles. Britain, so to speak, stands between the Soviet Union and America.

"If the British Government mediates between the two countries, the results are expected to be effective. That the British Government spurned the Soviet request to establish a second front in Europe during 1942 and that this seriously wounded the feeling of the latter cannot be gainsaid."

Discuss Post-War Order

An opinion dominates among American statesmen, the same dispatch holds, that there is a dire necessity for the United States to induce the Soviet Union to "write a document" on the latter's world policy after the present war. It is highly ridiculous, the dispatch goes on to say, that American Congressmen are exchanging their opinions on the construction of the post-war New Order, counting on chickens before they are hatched."

One of the most perfectly absurd instances in this connection is that Senators A. Hatch of New Mexico, Lister Hill of Alabama and others and Representatives Joseph Paul, Harold Burton and others collectively met Roosevelt on Sunday on this question. After the interview, they issued a joint statement to the press expressing their intention to submit a resolution to Congress calling for the summoning of a large-scale anti-Axis conference at the initiative of the United States.

The daydream of these American Congressmen, the dispatch adds, utterly ignores the prevailing war situation and development of international political condition and is simply made a laughing-stock by the more conscious circles.

In the meantime, Senator Robert R. Reynolds of North Carolina admonished these Utopian Congressmen saying, "Before this war ends, America will lose at least one-third of its wealth and spend $500,000,000,000 at the most conservative estimates."

Differences Exist
Special to the Nippon Times

MADRID, March 14.—Commenting on British Foreign Secretary Anthony Eden's visit to America, the London correspondent of the Spanish paper "Ya" writes that Eden is supposed to iron out the old differences in Washington.

The reason for Churchill's sending his foreign secretary to Washington instead of going himself, the correspondent continues, was probably due to the fact that Eden was enjoying a certain amount of confidence with the Soviets and that he was the person best suited to arrange for a later meeting between the statesmen of England, the Soviet Union and the United States. According to a report of the London Times correspondent in Washington, Eden declared on the first day of his conversations with Cordell Hull that certain differences existed that had to be ironed out in order to keep them from growing worse. In addition, the British Foreign Secretary explained that there was a certain overlapping of the efforts which would have to be eliminated by a general agreement.

Finally, he said, certain misunderstandings in the field of the political strategy would likewise have to be cleared. Although Eden had been sent to Washington, invested with full powers, it was necessary to await the results of his efforts. These will mostly depend on whether the White House is inclined to accept the British principle of applying the domestic-political methods in solving the problems of international politics.

Molotov Cannot Be Received
Special to the Nippon Times

BUCHAREST, March 14.—In connection with British Foreign Secretary Major R. Anthony Eden's visit to Washington, the official Rumanian news agency published the following report:

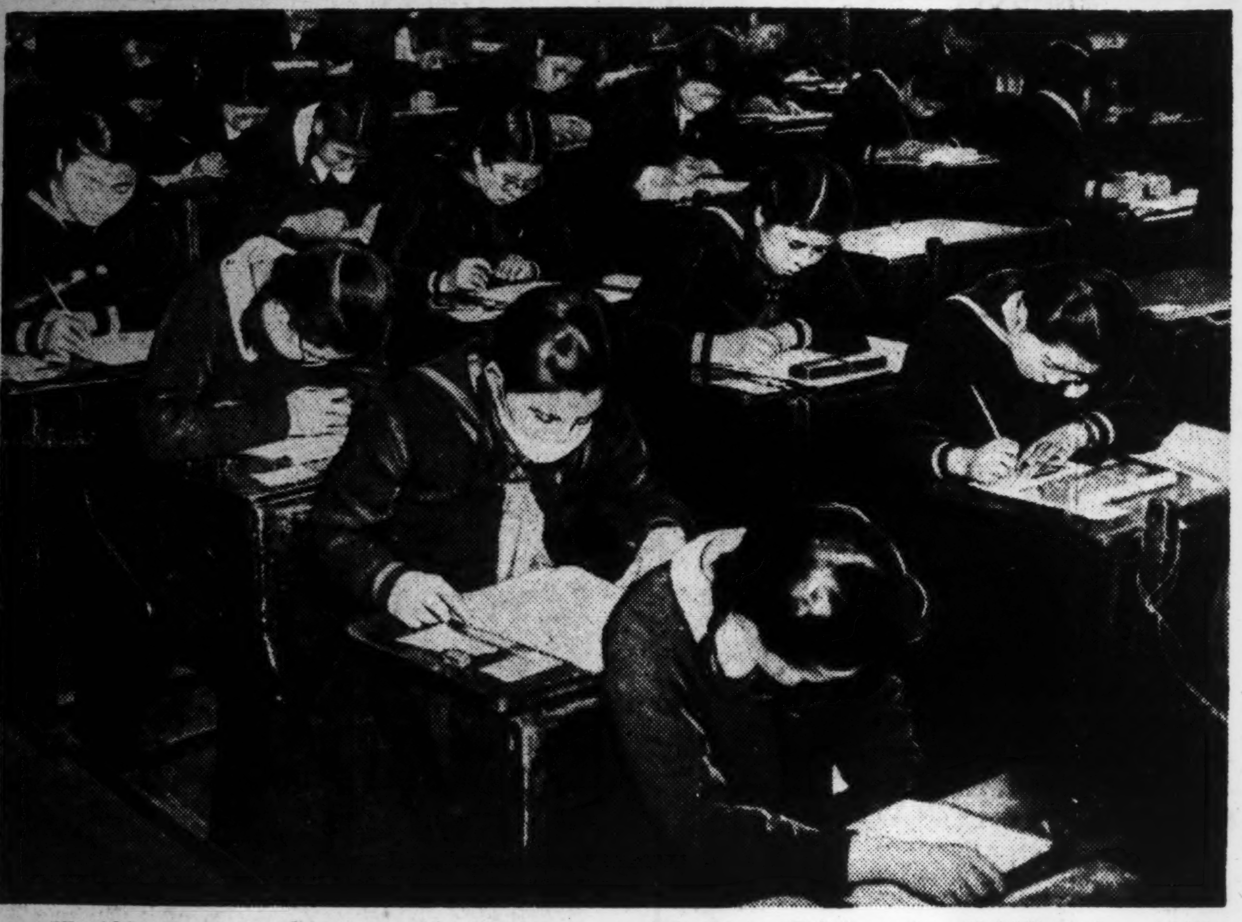
An interesting light was thrown on the report from Washington regarding the unexpected arrival of British Foreign Secretary Anthony Eden in the United States capital by news from Moscow which were lively commented upon in diplomatic quarters in Ankara.

According to this report, the Soviet Government on March 9 inquired in London whether the immediate visit to Foreign Commissar Vyacheslav M. Molotov to London to discuss the present political problems would be welcomed. Soviet Ambassador Ivan Maisky is said to have been given an answer by the Foreign Office to the effect that the British Government to its great regret was at the moment unable to receive the Soviet statesman, although he was welcome at any time to London, because the Premier, due to his state of health, was not yet fit for political conversations and because the Foreign Minister had been suddenly compelled to undertake a voyage that could not be postponed.

Berlin Not Surprised
Special to the Nippon Times

BERLIN, March 14.—The arrival of Foreign Secretary Anthony Eden in Washington caused no surprise and even less sensation in local political circles. It is nevertheless pointed out as very interesting that such a journey proved necessary only a few weeks after the Roosevelt-Churchill meeting at Casablanca. There should be no lack of subjects for discussions, it is pointed out in Berlin.

Raised to College Status



Would-be women educators taking entrance examination at Tokyo Prefectural Girls' Normal School, in Takehaya-cho, Koishikawa-ku, which has been raised to the status of a college.

MUSIC PLAYS VITAL ROLE

Government Organs Plan to Make More Musical Instruments

In view of the important role played by music, not only in enhancing the fighting spirit of the people and their appreciation for beauty, but also as an indispensable medium by which to introduce Japan to the Southern Regions and to other foreign countries as well as to give wholesome recreation to laborers, the smooth distribution of necessary materials for the manufacture of musical instruments will be seriously considered by the Musical Instrument Distribution Committee which was newly organized by the Board of Information, reports the Yomiuri-Hochi.

This Committee will be composed of Government officials particularly concerned with music, representing the Board of Information, Planning Board, Commerce and Industry, Education, Home, Welfare, Agricultural and Forestry and Railways Ministries.

After thorough investigations in the stock of available materials, and the present condition of demand and supply, the Committee will conduct a fair distribution of necessary materials.

Many Startling Discoveries of Rime Frost Made by Japanese Women Scientists

Eight years ago a group of girls finding an incentive in the question "What causes rime frost?" started to study this problem and since then have announced one discovery after another with respect to the natural phenomena of rime frost.

The Imperial Academy's grant of aid for the year 1943 makes this the fifth consecutive grant since 1939, an unprecedented fact since the establishment of the subsidy system by the Imperial Academy, and is truly a medal of meritorious commendation conferred on Japanese women for doing their part in the field of science.

The study of rime frost was taken up by a group of 13 girls at the Jiugakuen, in the winter of 1935, and at present is being carried on by three young women, Miss Michi Fujita, instructor at Jiugakuen, Miss Eiko Sahaku and Miss Tomoko Watanabe, at the Low Temperature Experimental Laboratory of Hokkaido Imperial University.

Although experiments were carried out one winter after another, before the slow but steady advance of the youthful research workers, Mother Nature yielded her secret and in 1939 the conclusion was reached that in order to rime the existence of water particles in the ground was essential.

The seemingly simple conclusion created quite a sensation in the scientific world. Dr. Ukichiro Nakaya, an authority on snow, of Hokkaido Imperial University offered the young women the use of the Low Temperature Experimental Laboratory, a special feature of the University.

Rime frost is a phenomena peculiar to Japan and researches conducted in this regard by the young women are the only ones in the world. The results of the findings will have great effect in deciding counter-measures against the damages inflicted on railways and buildings in the cold northern climates such as Hokkaido and Manchoukuo.

In order to solve the question of the water particles, agar-agar, white of eggs, soap, color pigments and other matter, totalling over 20, were made to rime, and as the result of the experiments the conclusion was reached that the size of the particles changed with the speed of freezing. From now on the experiments will be conducted to ascertain what relation exists in the part played by the water particles and the speed of freezing.

SCHOOL BOYS AND GIRLS TO TAKE MARITIME COURSE

Naval Officers to Instruct 50,000 Students at Five Naval Bases

Parallel with various wartime training activities, a special maritime training course is to be conducted from March 22 for 50,000 middle school boys and high school girls at Yokosuka, Kure, Maizuru, Sasebo and Ominato for the purpose of inculcating the true marine spirit into those youths, reports the Yomiuri-Hochi.

Some naval officers who are now in active service will be entrusted with the task of instructing these boys and girls.

During the course, they will be taught all necessary daily routines such as handling hammocks, cleaning decks, signaling and swimming. They are expected to acquire the technique of living cleanly and comfortably in a small limited space.

The training for boys will be conducted in two periods, the first starting from March 22 to March 27 and the second from March 29 to April 13 while the training period for girls will commence from March 22 for two days.

U.S. BOASTING OF STRENGTH

Declares It Will Rule Skies With New Planes

The United States has bombastically claimed that it will grasp the air supremacy during 1943 with the new "triple threats," namely; the Thunderbolt, Air Cobra and the Mustang fighters, which were newly added to their air forces, it was reported by the December edition of the American Magazine, according to a Buenos Aires dispatch to Domei on Friday.

The Air Cobra is designed as a fighter capable of flying at an extremely high altitude and is equipped with four machine guns and a cannon which is believed to be from 20 to 30 millimeters in size.

The Mustang is likewise designed for high-altitude flying and is warranted by British authorities that the new fighter is the fastest plane of this class.

MANCHOUKUO WOMEN VISIT YOKOSUKA NAVAL STATION

Pay Formal Call on Admiral Koga; Wounded and Sick Comforted

The Manchoukuo Women's Mission now visiting Japan as the guests of the Japan-Manchoukuo Women's Association visited the Yokosuka Naval Station Monday morning, reports Domei.

After paying a formal call on Admiral Mineichi Koga, Commander-in-Chief, of the Naval Station, the members of the mission visited the Yokosuka Naval Hospital to comfort the wounded and sick.

They then visited the Mikasa, the flagship of Admiral Heihachiro Togo in the Russo-Japanese War of 1904-1905, now alongside a pier of the station as a monument of the glorious accomplishments of the Imperial Navy.

At noon, Admiral Koga was host to the visitors at a luncheon at the Navy Club.

The party left Yokosuka Station at 1:25 p.m. for Tokyo.

FIRST WEDDING CEREMONY PERFORMED IN NEW HALL

Simplicity Marks 30-Minute Rites; Total Expenditure Only ¥50.60

The first wedding in the new Tokyo City Wedding Hall in Hongo was held March 14. The bridegroom, Lance-Corporal Masao Ishida, who had just returned from the front wore a national uniform while the bridge was attired in a short sleeved formal kimono. The relatives and guests present at the wedding were also very simply dressed.

A priest from Yushima Tenjin Shrine officiated and the sake for the rites was specially rationed by the City. The registration and affixing of the seals were all done on the spot immediately following the ceremonies and the time required for the whole procedure was only thirty minutes. The total expenditure, including the serving of the auspicious red bean and rice in chip boxes, amounted to ¥50.60.

GREAT SIGNIFICANCE ATTACHED TO VISIT

Premier's Trip Marks Completion of War Structure Against U.S. and Britain

The visit of Prime Minister Hideki Tojo to Nanking undoubtedly will contribute toward further strengthening Sino-Japanese collaboration in the current war, political observers declared here yesterday according to Domei.

The Prime Minister's trip was described by these circles as an epoch-making event which marks completion of the East Asiatic war structure against Britain and the United States paralleling the Italo-German war structure in Europe.

The visit may also be considered as an outstanding milestone in the history of Sino-Japanese relations which now is based firmly on principles advocated by the late Dr. Sun Yat-sen and on the great ideal of East Asiatic Co-Prosperity and freedom, they said.

Fighting Side by Side

The same quarters said it is significant that the first official visit to a foreign capital ever to be made by a Japanese Prime Minister in a formal capacity should be made at a time when Japan and China are fighting shoulder to shoulder in a great war against common enemies which have tried their best to place obstacles in the way of Sino-Japanese friendship.

It is additionally significant, they said, that the trip should have been made immediately after Japan had shown its sincere desire to aid China in every possible way by returning its concessions and relinquishing its extraterritorial rights in China.

The same quarters recalled that Sino-Japanese relations entered their present era in March 30, 1940 when the National Government of China returned to Nanking under President Wang Ching-wei and Japan resumed diplomatic relations upon the basis of a fundamental treaty of friendship with China.

Ever since then, they added, Japan has been strengthening its military, economic and cultural relations with China and both nations have been working toward establishment of the Greater East Asia Co-Prosperity Sphere.

China has responded, it was pointed out, with vigorous enthusiasm to Japanese friendship by joining the crusade against Anglo-American imperialism.

The nature of Prime Minister Tojo's present trip, the same observers stressed, is not to be confused with the private trip taken by the late Japanese Prime Minister Hirobumi Ito to Amoy in May, 1896, or with the unofficial tour of Manchuria undertaken by the late Prime Minister Prince Kimmochi Saionji in April, 1906.

One of the reasons for Prime Minister Tojo's trip was to repay the visit to Japan made by President Wang Ching-wei in December, last year, they declared. It was recalled that President Wang previously visited Tokyo unofficially in June, 1939, then repeated his visit in an official capacity as President of the National Government in June, 1941, to which the Japanese Government responded by sending to Nanking three special ambassadors, including former Prime Minister Baron Kiichiro Hiranuma, former Foreign Minister Hachiro Arita and Mr. Ryutaro Nagai, former Communications Minister, in September, last year.

URGES CLOSER TIES

British Foreign Secretary Seeks Co-operation With Chungking

By Arrangement with the Asahi (Special to the Nippon Times)

LISBON, March 13.—The necessity of closer cooperation with the Soviet Union and Chungking was emphasized by British Foreign Secretary Anthony Eden in a press interview at Washington today.

"As quite a long period is required to defeat Germany, it is necessary for the anti-Axis nations to maintain close cooperation," the British Foreign Secretary said. "The object of my visit to the United States is to exchange general opinions concerning various wartime problems of the anti-Axis countries. If the anti-Axis nations desire permanent peace after the conclusion of the present war, close cooperation among the United States, Britain the Soviet Union and Chungking is indispensable. The cooperation of the four nations must become the foundation of anti-Axis cooperation."

Further explaining the meaning of cooperation, he said that it is the most important duty of the anti-Axis nations to crash Germany and Japan.

An observation has been made at Washington that Eden would propose to President Roosevelt the convocation of an anti-Axis round-table conference. Furthermore, it is reported that certain members of the United States Senate are proposing that the United States should take a leading role at the coming anti-Axis conference, and are preparing to submit a bill to the Senate on Monday regarding the convocation of an anti-Axis conference.

Wallace Speech Published

Domei reports from Moscow that all Soviet newspapers published on March 12 the gist of American Vice-President Wallace's speech about the possibility of a third world war. Previously they had kept silence about the speech.

PORT GERMANS LOSE TO MITA STICKSTERS

Former Keio Stars Take Hard Fought Hockey Game From Yokohama Players by 4 to 3

YOKOHAMA, March 15.—In a fast hockey game played on the Yokohama Country and Athletic Club's field in Negishi Sunday afternoon, the German's first eleven again went down in defeat to the strong Mita Club boys from Tokyo by the score of four goals to three.

The defeat on Sunday made it the fourth straight setback suffered by the local team and in spite of their determined efforts to register a victory in the game, their hopes were shattered by Tanaka who netted the all-important goal late in the second half.

The game was a well contested one and play on the whole was of a high standard. The losers were handicapped by the absence of three regulars, Schuette and Pieper in the two wing positions and Meisinger in goal. Wilsing who was substituting in the difficult left wing position gave an excellent display, and his inclusion in future games should bolster the German attack.

The German forwards still showed a lack of combination although the individual efforts of Burmester, Levedag and Dohm proved a constant threat to the Japanese defense. Captain Burmester paced the German attack by netting two goals while Edu Levedag accounted for the other. Dr. Engel turned in his usual polished performance and his splendid backing up of the forwards game them a number of opportunities. Both Bellstedt and Levedag in the two back positions were heavily pressed throughout the game and it was largely through their efforts that the visitors were not able to break through for more goals.

The salient point in the Mita Club's strength lay in their forwards who were well backed by their intermediate line. Their combination was a revelation but as in the case of most first class Japanese teams, they were inclined to overdo it, with the result that a number of opportunities for snap shooting were lost through too much passing. The Germans on the other hand resorted to more direct measures and took advantage of every scoring opportunity and it was only due to the fine goal-tending of Inaba that they were not more successful.

The game opened with the visitors pressing heavily and the German defense was taxed to the utmost. After ten minutes of give and take play, Burmester snapped up a loose ball and scored the opening goal of the match with a well directed drive from just inside the circle. The former Keio stars obtained the equalizer toward the middle of the half when Vogt was beaten with a drive from close quarters that lodged into the corner of the net. Very even play followed and the first half ended with both teams deadlocked in a one-all draw.

Upon resuming play in the second half, the Germans soon regained the lead when Captain Burmester scored his second straight goal after he had taken a pass from Wilsing, and Edu Levedag soon followed with another goal to give the Germans a commanding lead. The visiting Mita boys applied terrific pressure and managed to score two goals in quick succession to tie up the score. Both teams missed a number of golden opportunities to score, and in the closing stages of the game, Tanaka obtained the fourth and last goal of the match to give his side a well deserved victory.

The teams were: Germans: Vogt, E. Levedag, Bellstedt, Fehlen, Dr. Engel, Bergmann, Wilsing, Dohm, Burmester (Captain) Edu Levedag, Sonnenschein. Mita: Inaba, Suzuki, Akiyama, Okubo, Tanabe, Tanaka, Sugiyama, Ohta, Ono, Akiyama, Ozaki. Referee: Mr. Glombik.

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Crushing Blow Dealt Soviets Near Kharkov

(Continued from Page 1)

casus despite extreme difficulties the Soviets were repulsed at all points with heavy losses inflicted upon them. The Soviet attempt to encircle the German positions from the rear by crossing the still frozen swampy areas along the coast of the Sea of Azov likewise caused the enemy additional heavy losses.

Soviets Failed in Winter Push
Special to the Nippon Times

BERLIN, March 11.—Comparing the actual aims of the Soviets during their winter offensive, as announced by them, with what they actually achieved, German military quarters write that the Soviet efforts were directed at (1) re-conquest of the Ukraine, (2) driving the German armies back to the Dnieper, (3) re-establishing the Soviet sovereignty on the Black Sea area by taking Crimea back from the Germans.

This view is supported by observing the direction of the thrusts of the Soviet armies during February as well as by enemy statements themselves. In the most significant results of the elastic German defense the Soviets saw only a weakness instead of a consequent method.

As late as February 5, enemy military experts wrote that the German forces would have no other recourse than to retreat toward the Dnieper waiting there for the new Russian drive. They all wrote that only a sensational turn of events could prevent the Germans from being pushed back.

This so-called "sensational event" was already in progress without, however, deserving to be called sensational. Believing that the German Donetz frontline had already been pierced the Soviet command launched a large-scale drive with several armies in the direction of Dnjepopetrovsk and Zaporoshje thus digging its own grave.

The new chapter began with the destruction of these enemy assault armies, while the initiative on wide front sectors had already been seized again by the Germans. The Ukraine was closed to the Soviet armies and will be closed the same as the natural resources of the Donetz area have been kept out of Soviet reach.

For the last two weeks the waves of the German assault divisions have again been rolling eastward. The center of the fighting is located south of Kharkov and in the area of Orel where the enemy is again attempting to turn the tide of war in his own favor. The German methods in defensive as well as offensive warfare have always proved superior in this sector of the front as well as in the middle and northern sectors of the Eastern Front.

The German command stresses the fact that by withdrawing their salient points to the main fighting line the Germans have forced the Soviets in the central sector to direct their counter-operations according to the German movements. It would appear as if the Soviets were hurriedly organizing another large-scale drive in this sector after having been spurred by several apparently easy territorial gains.

Thoroughly conscious of the mortal danger which Bolshevism means to the entire European continent many men of the Baltic States have joined the German armed forces in their fight against the Bolshevists. As was learnt from military circles both a Latvian as well as a Lithuanian legion have been formed while an Esthonian legion is already fighting on the Eastern Front.

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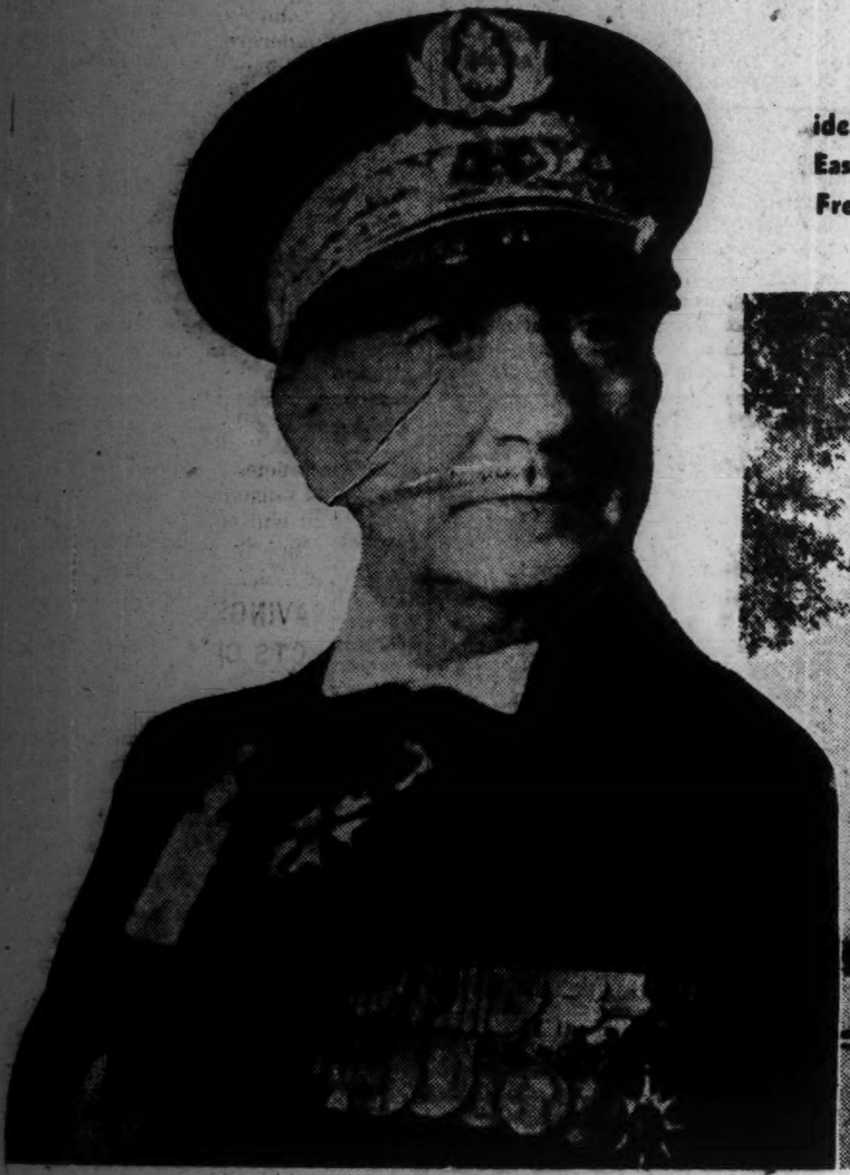
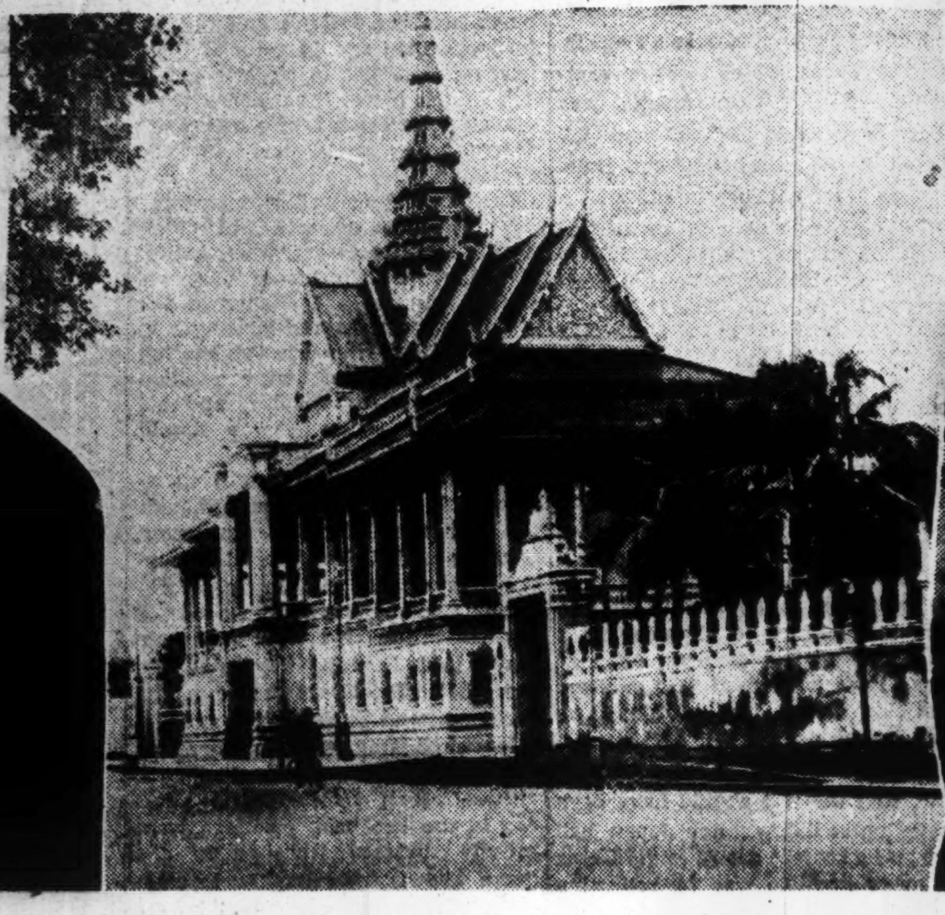
FRENCH INDO-CHINA'S MASTERFUL PILOT

Admiral Jean Decoux Has Safely Brought One of France's Most Important Colonies Through Dangerous Waters—He Shares Nippon's Ideal of Common Well-being



At left, Vice-Admiral Jean Decoux who shares Japan's ideals regarding the creation of a Co-Prosperity Sphere in Greater East Asia. Center, a palace in Cambodia. At right, women of French Indo-China.



It requires no reiteration that French Indo-China stands to play an important role in the task of building up a co-prosperous orbit in East Asia. Since 1940, her colonies have been wrested from her one after another in rapid succession by the American-British clique, her former friend and ally. French Indo-China alone has been able to retain unshakable territorial security under the suzerainty of its home country. This is because Japan has swept away all American-British influences from East Asia and stands firmly over this part of the world.

French Indo-China is, therefore, bound in duty to cooperate wholeheartedly with Japan in the creation of a New Order. Small wonder, then, that she as a co-guardian of East Asia is maintaining an attitude of full collaboration with Japan in the prosecution of the sacred war. This is not only a wise but proper course for her to take.

With the progress of the world war, French Indo-China has been cut off from her home country. Militarily as well as economically, she has no alternative but to rely on Japan. But a section of the French people, long subservient to the American-British economic influence and thinking the world is made up of Europe and America only, misconstrued Japan's true intention for the emancipation of East Asia and joined hands overtly and covertly with the enemy camp to obstruct the prosecution of the holy war.

Vice-Admiral Jean Decoux, on whose shoulders falls the responsibility for the maintenance of the territorial integrity of the French colony, clearly perceived the path it should tread. He adopted a policy of keeping in step with Japan, which found expression in the prohibition of the traffic of Chungking-aiding materials, in the consent to the advance of Japanese troops into northern and southern French Indo-China and in the submission of her border dispute with Thailand to arbitration by Japan.

Cooperates With Nippon

It is in pursuance of the same policy that, upon the outbreak of the War of Greater East Asia, Governor-General Decoux caused measures to be taken to make French Indo-China a base of Japan's southward advance.

Of course, it is undeniable that the French population of the colony was not devoid of anti-Vichy elements who tried to tie up with the De Gaullist puppet regime and make themselves the cat's-paws of America and Britain. Governor-General Decoux successfully put these reactionary elements under control, and his original policy of rapprochement with Japan developed into one of full co-operation and finally into a resolve to share the common fate of East Asia and participate in earnest in the setting up of a New Order.

Militarily, the two countries have been bound closely by the Joint Defense Protocol. Economically, however, such agreements or understandings as were in force prior to the opening of the War of Greater East Asia were found inadequate to meet the new situation. As a step to adjust the economic relations of the two countries, there was concluded on January 20 this year a new agreement under which all accounts between the two countries will be settled in Yen. Moreover, thanks to the efforts of Governor-General Decoux and the Japanese Ambassador, economic ties between the two countries are expected to become closer.

From the command of the French Asiatic Fleet Vice-Admiral Decoux was transferred to the Governor-Generalship of French Indo-China in 1940 to replace Catroux. It was immediately after the enforcement of the ban on the traffic of materials to Chungking. Often he found himself in a difficult position. His predecessor had deserted Marshal Petain for De Gaulle. Admiral Decoux pledged loyalty to the Chief of the French State and has been devoting himself to the defense of the colony in co-operation with Japan.

Attended Naval Conferences

Admiral Decoux is 58 years of age After graduating from the Naval Staff College in 1901, he was the captain of a gun-boat and later of a submarine of the French Mediterranean Fleet during World War I. Shortly afterwards, he was transferred to the command of defense at Tahiti. That was his initial contact with the Pacific. Promoted to the rank of Captain toward the close of the War, he took command of a cruiser.

After the termination of the War, he was for a long time connected with naval administration. He was active in the Geneva and London Naval Conferences and displayed his diplomatic talent. It was around this period that he came to be known internationally.

Since the establishment of the puppet regime in North Africa, it has become clear that France and her colony in East Asia have no other course but to make common cause with Germany and Japan, respectively. Admiral Decoux, reflecting the will of his home government that French Indo-China should adhere to the right course, has effected renovation of the administration of the colony and purged it of all pro-American, pro-de Gaulle and anti-Vichy elements.

In his radio speech at Saigon on December 15, 1942, he enunciated his determination to collaborate, materially and spiritually, in the prosecution of the War of Greater East Asia and in the setting up of a co-prosperous sphere in that part of the world. He said in part:

"French Indo-China must proceed along the lines of the Joint Defense Protocol, and this is especially so in view of the progress of the war situation. Cordiality and mutual trust mark our relations with Japan. In the field of economy and culture, too, increasing cordiality is being witnessed.

"The spread of the fires of war to the Pacific has cut off our contact with our home country. At this time we must recognize anew the economic position of French Indo-China. Japan is our only customer and only supplier. We mean to devote all our energy to the tapping of underground resources."

Faced with a succession of crises, France has been treading a thorny path. No less weighty is the responsibility devolving on French Indo-China at the present stage of the world conflagration. It is highly encouraging to us, as, no doubt, to the 17,000,000 inhabitants of French Indo-China, that Governor-General Decoux is marching courageously forward, sharing Japan's ideal of common well-being for mankind.

For Governor-General Decoux to awaken these inhabitants to full realization of their status as co-participants in the Greater East Asia Co-Prosperity Sphere and direct them to the task of construction will be to test his character and ability. There can be no doubt that he will succeed.

PREMIER TOJO SEES SHANGHAI LEADERS

Trip to China Successful, He Declares in Significant Speech in Port City

Domei

SHANGHAI, March 15.—In a speech delivered before Japanese military, government and civilian notables here last evening, Prime Minister Hideki Tojo declared that a frank exchange of views in Nanking has resulted in perfect agreement between Japan and China regarding measures for satisfactory execution of the War of Greater East Asia.

Prime Minister Tojo told his guests, who included Lieutenant-General Sada Shimomura, Commander-in-Chief of the Japanese Forces in Shanghai, and Minister Akiyoshi Tajiri that the reasons for his trip to Nanking were to return the courtesy of President Wang Ching-wei's trip to Tokyo in December, 1941, to thank the National Government of China for its participation in the current war, to exchange frank views with leaders of the National Government on measures regarding the execution of the war against the United States and Great Britain and to inspect Japanese Army and Navy forces stationed in China, as well as other Japanese establishments.

Trip Called Successful

His trip, Prime Minister Tojo said, can be considered a success in that Sino-Japanese relations have been further strengthened in military, political and economic fields as a result of his talks with National Government leaders.

Prime Minister Tojo called upon Shanghai leaders to work toward making Shanghai one of the key zones for Sino-Japanese cooperation by wiping out all evidences of Anglo-American imperialistic influence from the city. At the same time, he stressed that every opportunity must be given China to give full play to its initiative in carrying out its role in the present war.

Clarifies Japan's Policy

Referring to Japan's new policy toward China, Prime Minister Tojo declared that while the Japanese Government is deeply concerned with the position and interests of the Chinese nation and people first and foremost.

The Prime Minister concluded by asking for the full cooperation of all those present, in carrying out Japan's policy in China.

Wang Pledges Support

(Continued From Page 1)

significance of the War of Greater East Asia.

To Live or Die With Japan

"We on our part wish in the literal sense to carry out our policy expressed in the phrase 'together in death as together in life.'

"The one billion people of East Asia personify the great power of East Asia and it is necessary that this power should be unified.

"For the unification of this power, a spiritual foundation is absolutely necessary. Therefore, it is my fervent wish that China should first gain a firm grasp of its spiritual destiny and then should unite on this mutual understanding of the nation's destiny and finally should show its power.

"In this sense, we plan henceforth to exert increasingly greater efforts to materialize the wishes of His Excellency Prime Minister Tojo and to repay the kindness of the Japanese Embassy and the Japanese Army headquarters."

'Only the Best' First Principle Of Germany's Arms Production

Leading Engineer of Krupp Works Tells Why New Type of the Heaviest Artillery Is Needed

BERLIN,—(Special)—The well-known leading engineer of the Krupp works, Dr. Ing. Erich Muller, gave a lecture on the development of artillery before the members of the Technical-Literary Society. He pointed out that for five centuries artillery had hardly made any progress until about a hundred years ago Alfred Krupp succeeded in using his cast steel for the manufacture of gun barrels. It took 15 years until Krupp's invention found general recognition. Smokeless powder, splinter ammunition and the recoiling barrel had marked further stages in the technical development of the arms production in the following decades.

Present day engineers had entirely different problems to solve, however. The first principle in Germany's production of arms was: Only the best will do. In the construction of new weapons much thought had been given to ways and means to make warfare mobile again which in the first world war had got stuck in the trenches. Up to date arms could not be heavier, therefore, than they had been in the first world war, but they had to have at least twice their striking power. Of special importance had been the solution of the problem of the heaviest artillery, as in the case of the Maginot line steel and concrete walls of several yards' thickness had to be broken. At the same time a far wider range had to be given to these heaviest guns.

Great Mobility Required

Dr. Muller continued literally: "If we hear that such a gun can be mounted and dismounted in the course of one day and transported everywhere by rail, we can measure the technical progress." Naturally every gun was of decisive importance. The field artillery required the greatest mobility, anti-aircraft artillery the greatest speed and fortification artillery the greatest robustness. The material of modern weapons was put to tremendous tests. In the case of most guns one could not speak of limited durability any longer. As gun barrels could now be exchanged, the armament capacity had increased manifold. Dr. Muller then pointed out that armaments in Germany had been built up without making use of the so-called "saving materials." In the course of the war these demands had been still more rigidly enforced so that in the construction of most heavy weapons not a gram of "saving materials" was used.

It also was noteworthy that synthetic materials for the bearings of guns had stood their test excellently. The guns themselves had become complicated but easier to handle for the soldiers. Their efficiency had about doubled, compared with the first World War. They were also much more mobile which was particularly true of the barrel which generally could be turned around 60 degrees and frequently even around 360 degrees. In the construction of tanks attention had to be given to the fact that the recoil of the gun caused a sudden pressure, amounting to 20 tons. If the production of tanks had increased threefold since the beginning of this war, this did in no way signify that the technical development had reached a final stage. On the contrary it was still in full swing. In conclusion Dr. Muller stated:

"In the last World War only the problem of increased efficiency had been tackled. From 1934 to 1938, however, entirely new weapons were constructed in the Krupp works on entirely different technical bases. Since the beginning of this war to the present the number of arms again doubled. This was only possible through the undreamed of technical progress",

Tojo Affirms War Ties

(Continued from Page 1)

for Japan, the establishment of a victory-achieving and invincible position. They are continuing their energetic offensive against the enemy.

"The progress of Manchoukuo since its founding only a little more than a decade ago has been also remarkable and praiseworthy. The Japan-Manchoukuo-China ties of collaboration are being further strengthened. Thailand is extending its unstinting cooperation with Japan for the prosecution of the war while Burma is to obtain glorious independence in the course of this year.

Preparing For Offensive

"In Europe, the fighting spirit of Germany, Italy and other Axis countries has become further enhanced. They are making exhaustive preparations for a large-scale offensive which is certain to come in the near future.

"It is certainly reassuring that all our friendly countries are making a strong march hand in hand for the complete overthrow of Britain and the United States. On this special occasion, I wish to reiterate the immutable resolve of Japan to fight the present war against Britain and the United States to final victory and to contribute to the establishment of a New World Order through the construction of Greater East Asia.

"I wish to renew my high tribute to the great efforts which your Government and people with President Wang Ching-wei at the helm are making for the consummation of Greater East Asia."

4,850 CHILDREN GATHER FOR YASUKUNI RITES

Youngsters From All Parts of Country to Come to Tokyo

On the 5th "Orphans' Day" for worship at the Yasukuni Shrine, a total of 4,850 children from all over Japan will pay respects to the spirits of their dead fathers, according to the plans announced by the Military Relief Association.

This year the children assembling for worship will include those of the fifth and sixth years of national schools, as well as students of the higher elementary classes, first and second years of middle schools and youth training schools. Those working in factories, firms and on farms under 16 years of age will be given the opportunity to attend the ceremonies for the first time. Also under the sponsorship of the Manchoukuo Military Relief Association 13 orphans resident in Manchoukuo will join in the ceremonies this spring. Compared with last autumn there will be an increase of 200 in the number this spring.

The rites for worship will take place on March 27, 28, and 29. The children will assemble at the Imperial Plaza at 9 o'clock in the morning of the 27th to pay their respects and from there they will proceed to the Hibiya Hall. In the afternoon children coming from distant districts, such as Manchoukuo, Kwantung, Taiwan, Chosen and Hokkaido, will first worship at the Yasukuni Shrine. Divided into two groups, they will visit the Meiji Shrine, Yushukan, Kokubokan and other places on the next two days.

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CHINA CURRENCIES SEE STABILIZATION

Ousting of Enemy-Supported Notes Brings Financial Security to Peace Zones

With the Anglo-American influence ousted altogether from the financial circles of North, Central and South China in consequence of the War of Greater East Asia, the Chinese masses are now rejoicing over the stabilization of currencies over the extensive areas in the peace zones, and it is no wonder that those living in and around Shanghai should be as much reliant on the Japanese army scrips as on the notes issued by the Central Reserve Bank, observes a Mainichi correspondent in Shanghai.

The correspondent comments in the same dispatch on the monetary situation of China as follows:

"For many decades there were numerous currencies circulating in China suggesting the traditional complexity of its currency system, and it was only a year and a half before the outbreak of the China Affair that Chiang Kai-shek effected a reform of the currency system in China. From the economic point of view, the China Affair brought in its train a conflict between the old fapi supported by Anglo-American capitalists and the Japanese Yen.

"Among the various forms of currencies termed the old fapi were included the notes issued by the Central Bank of China, the China Bank, the Bank of Communications and the Farmers Bank, and it is to be recalled that the market values of these notes were subjected to fluctuations according to the modifications of the exchange policies by the Old Fapi Stabilizing Commission that Chiang Kai-shek established in cooperation with the Anglo-American capitalists, not to mention the notorious activities of speculators who would spread false news sheerly to disturb the money market for their own sake.

Influential Currencies

"In the meantime there appeared influential currencies in the form of notes issued by the Federal Bank for circulation in North China and those issued by the Central Reserve Bank and the Japanese army scrips for circulation in Central and South China, each currency demonstrating its mighty function in competition with the old fapi jointly supported by the Anglo-Americans.

"Now that the Anglo-American-Chungking influence has been removed from the extensive areas on the Chinese continent since the beginning of the War of Greater East Asia, the currencies supported by the enemy countries have been totally ousted from the money market in China. As a matter of fact, there are only two currencies, the Central Reserve Bank notes and the Japanese army scrips, now popularly circulating in Shanghai.

"These two currencies are essentially affiliated with each other, and their joint influence is expected to increase at a phenomenal rate reflecting the new phases that have developed in the money situation of China since the National Government of China declared war against the Anglo-Americans.

"Along the streets of Hongkew are lined the stores run by Japanese dealers, and posters are hung at their shopfronts indicating Central Reserve Bank notes are accepted there. Moreover, the employes of Japanese firms and national policy factories under the management of the Japanese Military Administration are paid their salaries and wages partly in Central Reserve Bank notes in accordance with the policy followed by those connected with these firms and factories to pay personnel and other expenses preferably in the Central Reserve Bank notes. The Chinese masses aside, the Japanese residents in Shanghai are now able to go out shopping without any trouble if they are armed with the Central Reserve Bank notes.

"Ever remindful of the bitter experiences they had in consequence of the treatment disturbances of the currencies of their home country, the Chinese masses are now reliant more on the Japanese army scrips than on the currencies of their own country. As for the Japanese residents, however, it is desirable that they utilize the Central Reserve Bank notes as far as possible when they go out shopping."

MORE SEEDS FOR OUTPUT

Agriculture Ministry Speeding up Program for Growing

In view of the growing need for enriching the supplies of vegetable seeds for the promotion of the agricultural industries over the extensive areas in the Greater East Asia Co-Prosperity Sphere, the Agriculture and Forestry Ministry is now expediting its schedule to encourage the farming community at home to prepare voluminous vegetable seeds, according to the Sangyo Keizai.

It is felt that Manchoukuo and the southern areas are in need of these seeds so as to greet an autarchy in vegetable foodstuffs, and that the extensive distribution of vegetable seeds taken in Japan proper will go a long way toward replenishing the vegetable supplies for the various peoples of the Co-Prosperity Sphere.

A Coking Plant in China

The mounting wartime need for fuel is being met by the vast coal resources of Manchoukuo and China. Shown is a coking plant at Shinhchiachuang with the all modern improvements in manufacturing equipment at its command. Coal is strongly heated out of contact with the air until the volatile constituents are driven off.

REMITTANCE SYSTEM IS SET UP FOR SOUTH

Newly Promulgated Exchange Control Ordinance Aids Free Interchange of Funds

With a view to facilitating the interchange of working funds among the various Japanese-occupied areas in the South, the Japanese Military Administration in Java promulgated on March 13 and exchange control ordinance effective on and after March 15 over the extensive southern regions, reports a Domei dispatch from Djakarta dated March 13.

It will be recalled that no individuals have hitherto been allowed to make or receive remittances from or to Malai, Sumatra, Burma, North Borneo and other Japanese-occupied areas except where those connected with the Army or Navy have been in need of doing so. However, the rest of the Japanese people were privileged to remit or receive money only when intended for traveling purposes exclusively.

With the enforcement of the exchange control ordinance just promulgated, native inhabitants and Chinese merchants as well as Japanese living in these areas will have complete freedom for making or receiving remittances throughout the Japanese-occupied southern regions. In other words, they will be able to settle their pre-war outstanding accounts if any and to remit living expenses to members of their families in far off areas.

Statement Issued

Incidentally, the Japanese Military Administration in Java made the following statement on March 13 in connection with the exchange control ordinance just promulgated:

"With the restoration of peace over the Japanese-occupied southern regions, we think it necessary to inaugurate a remittance system so as to facilitate the settlement of outstanding accounts among individuals and to encourage the movement of working funds among them, with the ultimate object of stabilizing the economic relations among the various areas in the South and of accelerating the economic development in these areas. It is for this reason that the Japanese Military Administration promulgated and enforced the exchange control ordinance on March 15."

"It is only the Southern Development Bank and other Japanese banks that shall be authorized to conduct exchange business, and these banks are required, before commencing exchange business, to call for the authorities' permission in accordance with the stipulations set forth in the ordinance.

"The regulations hitherto functioning in connection with remittances of traveling expenses for individuals other than those connected with the Army or Navy shall be superseded by this ordinance."

It is further learned that applications for permissions and reports in connection with this ordinance should be sent in duplicate through the Java Office of the Southern Development Bank.

Those living in areas where there are no branch offices of the Southern Development Bank shall be allowed to send in their applications for permissions or reports through a local Japanese bank.

Closing Quotations Of Key Stocks And Bonds

Yesterday's final prices of key stocks and bonds on the Tokyo Stock Exchange follow, in yen:

		Comp. With Prev. day
Tokyo Exchange, new (short-term)	85.30	+ 0.20
N.Y.K., new (short term)	78.70	+ 0.10
Kanebo Spinning, new (short-term)	74.90	+ 0.10
Gov't Bond, Kogo 5%	108.20	Same

AMERICA TO ENFORCE RATIONING OF FOODS

Wickard Declares Restriction on Consumption Will Go Into Effect on March 28

Reflecting the fast-dwindling supplies of foodstuffs, especially meat, in America, United States Secretary of Agriculture Claude Wickard declared on the night of March 12 that the American Government would enforce a rationing system for distribution of meat and other similar foodstuffs among the American people, beginning March 28, reports a Domei dispatch from Buenos Aires dated March 12, according to the Nippon Sangyo.

Mr. Wickard's declaration is outlined by the dispatch to the following effect:

"The Government is scheduled to enforce a rationing system for distribution of all kinds of meat, including tinned meat and fish, butter, cheese and table oil, on and after March 28. With the enforcement of this system, the Americans will have twice as much meat and oil and about the same quantity of cheese as are rationed in Britain.

"According to the rationing system contemplated, one individual will be able to consume any description of foodstuffs up to the total quota of 16 points a week. Although I cannot yet specify the exact quantities of classified foodstuffs for consumption by individuals, it is estimated that one individual will have a weekly ration of from two to two and a quarter pounds of meat, four to four and a half ounces of butter, one to one and one thirds of an ounce of margarine and two ounces of cheese."

Will Affect Diet

Thus it is learned that the American people will have about twice as much meat and about as much cheese as the British people have according to the rationing system functioning in Britain. These restrictions of foodstuffs consumption will seriously affect the daily diet of the American people inasmuch as they have been accustomed to a luxurious mode of living so far as their foodstuffs are concerned.

In view of the acute shortage of labor that has been brought about by the large scale reorganization of the United States army and navy and of the serious handicaps in the operation of traffic facilities by reason of the compulsory restriction of fuel and rubber consumption, Mr. Wickard has been compelled to demand a Spartan mode of living upon the American nation at large.

The dispatch nevertheless adds that the fundamental cause for the acute shortage of foodstuffs in America is ascribable to the country-wide practice of shady transactions. The weekly journal Time points out that the various kinds of meat supplied by those engaged in shady transactions are priced more than three times as much as official prices, and that the people in general seldom have chances to obtain meat.

PRICES GROW FIRM AS SELL-OFF ENDS

Long-Terms, Miscellaneous Spots Indicate Rally; Short-Terms Steady

With the completion, as a whole, of unloadings by less-moneyed traders, the Tokyo Stock Exchange saw an all-round recovery yesterday, and prices of the listed wares in the long-term section and the miscellaneous on the spot market rallied one after another.

In the long-term section, for example, Toa Tobacco sharply went forward ¥2.60, Manchou Tobacco ¥1.80, Fujikoshi Steel ¥2.20 and Japan Gunpowder ¥2.00. Simultaneously Daito Cotton Spinning surged up ¥1.70, Japan Sand Iron, Mitsubishi Mining and Daido Steel ¥1.50 each, Toyo Ball Bearing and Ikegai Automobile ¥1.40 each, and Kobe Steel ¥1.20.

The short-term section was continuously steady, and prices picked up in fractions.

With the revival of a bullish sentiment, the spot market saw an upward swing of prices along a wide front of industrials. Showa Airplane Manufacturing Industrial and Takachiho Optical Industrial jumped up ¥2.00 each, Chosen Hydro Electric Power, new ¥1.50, Teikoku Gold Mining and Riken Mechanical Industrial ¥1.30 each, Japan Special Steel, Sumitomo Metallic Industrial and Takasago Iron Works ¥1.00 each.

Long-Term Section

Yesterday's final prices of select issues in the long-term section were:

First Section

	—Delivery— Mar.	Apr.	Aay
Kanebo Spinning (50)	—	127.5	—
Nisshin Spinning 50)	84.5	84.5	85.7
Teikoku Rayon (50)	—	—	83.0
Kurashiki Rayon (50)	—	70.5	71.0
Toa Hemp Ind (50)	70.2	69.8	69.9
Tokyo Hemp Yarn (50)	99.5	99.2	99.8
Kanegafuchi Ind (50)	78.6	79.1	67.9
Showa Elec Ind (50)	84.5	84.6	84.5
Japan Nitrogen (50)	72.5	73.2	73.4
Second Section			
N. Y. K. 50)	92.9	—	92.4
O. S. K. (50)	84.0	84.2	85.0
Nissan Steamship (50)	67.0	67.7	68.0
Mitsubishi Mining (50)	85.3	85.8	85.4
Ishihara Ind (50)	67.2	67.7	67.0
Third Section			
Furukawa Elec Ind (50)	112.9	113.6	114.2
M'bishi Elec Mach (50)	142.4	142.1	140.8
Japan Oils and Fats (50)	65.5	65.5	65.9
Japan Beer (50)	96.7	96.1	—
Sumatra Dev. new (37½)	46.3	—	47.2
Asahi Glass (50)	94.6	93.9	92.0
Toa Tobacco (50)	102.5	103.3	103.4
Manchou Tobacco (50)	93.0	93.2	93.1

Short-Term Section

	Open.	High	Low	Clos.
Tokyo Exch. new	85.1	5.4	5.1	85.3
N. Y. K., new	78.6	9.0	8.5	78.7
Mi'bishi Heavy Ind.	95.5	5.9	5.6	95.6
Kanebo Spin. new	74.7	5.0	4.6	74.9
Teikoku Rayon, new	71.3	1.5	1.1	71.1
Hitachi Iron Works	93.0	3.3	3.2	93.2
Osaka Exch. new	43.7	3.7	3.6	43.6
Japan Steel Tube	68.5	8.8	8.5	—
Japan Oil	—	73.9	73.7	—
S. M. R.	—	75.3	75.1	—
N. Y. K., old	92.2	2.6	2.2	—
Hokkaido Coal	—	74.0	4.0	74.0
Kanebo Spin. old	127.8	7.8	7.8	127.8
Toyo Rayon, new	58.0	8.4	8.0	58.4
Kokura Iron Works	54.1	4.7	4.1	—
Japan Beer, new	46.7	6.8	6.7	46.7
Japan Sugar, new	—	65.9	5.8	—
Ensuiko Sugar	63.3	3.9	3.3	63.8
Japan Mining	60.9	1.1	0.9	61.1
Manchou Heavy Ind.	61.4	2.2	1.4	62.0

Bill Clearings

March 15
(In ¥1,000)

	Tokyo	Osaka
Bills Cleared	258,915	136,041
Balance	34,575	25,093

SYSTEM COMPLETED OF FISHING INDUSTRY

Establishment of 4 Control Companies Shortly Will Mark Dawn of New Epoch

Elaborate preparations for their establishment being almost completed, the four fishery control companies will shortly observe their inaugural ceremonies, which will mark the dawn of a new epoch in Japan's fishery circles, says the Asahi.

The establishment of the Teikoku Fishery Control Company at the end of last year seems to have accelerated the activities of the inaugural committees of the four other fishery control companies. The Nisso Fishery Control Company will observe its establishment on March 23, the Japan Ocean Fishery Control Company and the West Pacific Ocean Fishery Company their's on March 27, while the new Nichiro Fishery Control Company, (which will be reorganized into the North Pacific Fishery Control Company on August 31) will start activities beginning May 1. The four fishery control companies, in addition to the Teikoku Fishery Industry Control Association, will complete the new fishing industry system of Japan.

The capital and organization of the fishery control companies are as follows:

Activities of Teikoku Co.

The Teikoku Fishery Control Company was established with the ¥50,000,000 invested in by Nichiro Fishery, Hayashikane, and other fishing companies. The company is expected in some quarters to start activities relative to the control of the distribution of marine products in addition to its business of the control of fishery.

The Japan Ocean Fishery Control Company is to be established with a capital of ¥94,262,000 to be invested in by the Japan Marine Products Company, the Pelagic Whaling Company, the Hinode Fishery Company, the Kyodo Fishery Company, and the Takasago Fishery Company. Of the amount named above, ¥69,512,000 is to be paid up simultaneously with establishment.

The North Pacific Fishery Control Company is to be established with a capital of ¥86,500,000 (including the paid-up capital of ¥75,000,000) to be invested in by the Nichiro Fishery Company which has annexed the North Pacific Fishery Company, the North Chishima Fishery Company, the North Japan Fishery Company, the Japan Canned Crab Company, and the Pelagic Ocean Canned Crab Company.

The Nisso Fishery Control Company will be established with a capital of ¥10,000,000 to be invested in by the Ogiu, Sano and other fishing interests. The capital of this company will be increased to ¥30,000,000 simultaneously with the establishment of the North Pacific Fishery Control Company in August next.

The Western Pacific Fishery Control Company will be established with a capital of ¥66,000,000 consisting of ¥20,000,000 to be invested in by Hayashikane, ¥16,000,000 to be invested in by the Taiyo Whaling Company, and ¥30,000,000 by the Enyo Whaling Company.

China's Economy Has Sound Basis

(Continued From Page 6)

the Chinese people generally has it, they are ready to live or die with Japan, and in this ardent spirit of comradeship, they are bonding their whole energies to the economic rehabilitation of their country. Altogether, it may rightly be said that China's wartime economic structure is complete.

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SUMATRA RESOURCES EXAMINED FIRSTHAND

Domei Writer Conducts Forty-Day Tour of Inspection Through Nine States of Island Viewing Progress Under New Regime

With the first anniversary of the enforcement of military administration in Sumatra close at hand, a Domei correspondent made a tour of the nine states of the Island in order to inspect the progress in military administration and the condition of industrial development for the past one year. The following is the gist of his report, which is the result of his efforts to know the total aspect of the entire island in defiance of bad roads and unhealthy climate over a period of about forty days.

West Coast State: Located though it is on the equatorial line the climate in this state is generally congenial. About 15,000 overseas Chinese live there, but they, unlike those in other regions of the south, are under the influence of the native inhabitants both in point of population and economic power.

The principal industries in this territory are mining and agriculture. The staple agricultural products are rice, cinchona and tea: The rice crops are amply sufficient to supply all requirements in the district, while cinchona and tea are well known all over the world for their excellent quality. Among the mineral products, coal and portland cement head the list on account of their importance as strategic materials.

According to statistics compiled before the war, coal mining in this state was first begun in 1891 by the Dutch Government under its direct management and the workers employed in the coal mining industry numbered 3,000, who had been turning out 500,000 tons of bituminous coal of high grade every year.

The blitzkriegs carried out by the Imperial Forces in this territory saved the mines from destruction at the enemy's own hands and all their equipment has been taken over by the Japanese troops without damage.

Industry Promising

Due to the richness of deposits which are said to be almost inexhaustible and the good transport facilities offered by the railways connecting the mining center with ports on the Indian Ocean, the industry is regarded as most promising.

In addition to bituminous coal, fluor-spar, sulphur and anthracite are produced in various sections of the state, and efforts are being made for their increased output with salutary results.

The roads extend themselves in three directions with Pandang, the seat of local government, at the center. The aggregate length of the main roads reach 3,552 kilometers. The three railway lines starting from Padang total 364 kilometers in length. The projected trans-Sumatra railway which will represent one of the greatest undertakings in the southern reconstruction is to make Padang its starting point, and at present the investigation parties are conducting their investigations in the teeth of numerous difficulties.

Already more than 800 schools of various description are open, including some Japanese language schools. The diffusion of the Japanese language has been so speedy that it is now the common language in the business center of Padang.

Chinese Predominant

Riau State: Almost the entire state is marshy. The native inhabitants are Malaians, who live along the motor-roads, riversides and the seacoast. Here the overseas Chinese numbering no more than 50,000 hold absolute economic sway over them. Almost the entire region being covered by jungles, all traffic with the hinterland has been impossible. Prior to the outbreak of the War of Greater East Asia when the island was under Dutch rule, the local government office was located at Tandjong Binang, but for geographical reasons, in July last it was transferred to Pakang Bharu, a lonely village with a population of only about 5,000, where the Japanese officials are making strenuous efforts at the development of land and national resources.

Industrially, this territory was left poor while under Dutch administration. Since the enforcement of military administration by the Imperial Forces, however, reconstruction of industry has been vigorously carried forward. The marshy land has been turned into paddy-fields where increased rice-crops are possible. In the northern region, the native inhabitants are extending their hearty cooperation in the gathering of mangroves, gambier, copra, etc.

Mineral Resources

Petroleum and coal constitute the main underground resources throughout the state. Although the territory is still in a primitive state in all respects, in view of its abundance in natural resources, much is expected from it with the progress of development works.

In all other states, the first step of military administration was resuscitation, but in Riau state the authorities had to launch on construction from the very outset.

It is projected to develop Pakang Bharu into a large city with a population of 250,000, and already a portion of the roads under the program has been completed. It will be in the not too distant future that Pakang Bharu will emerge as one of the biggest cities in Sumatra.

POSTAL SAVINGS RISE REFLECTS COOPERATION

Reflecting the nationwide cooperation with the Government in its savings boosting campaign, the rise in the nationwide total of postal savings had been so much accelerated since the beginning of this year that the Deposit Bureau of the Finance Ministry announced on March 12 that these savings swelled to a signal mark of ¥12,758,884,000 at the end of last month, reports the Nippon Sangyo.

According to the statement simultaneously published by the Finance Ministry, the attainment of this total indicates a gain of ¥207,738,000 over the figure standing at the end of the preceding month and a gain of ¥3,248,631,000 over the figure standing at the end of February last year.

The statement reveals further that the balance sheet drafted by the Deposit Bureau at the end of February shows a gain of assets and liabilities combined aggregating ¥18,253,157,000, thus indicating a gain of ¥707,127,200 over the figure standing at the end of the preceding month and a gain of ¥4,866,518,000 over the figure standing at the end of February last year.

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Reserve Fund ¥148,400,000
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TOKYO, TUESDAY, MARCH 16, 1943

Prime Minister Tojo's Visit to China

Although Prime Minister Tojo's visit to China is the third Japanese mission to New China, this is the first time that a Japanese Prime Minister has gone to China in his formal capacity. This unprecedented step on the part of Japan is an index of the vital importance this country attaches to its relations with China, its present situation and future tendencies, especially since the phenomenal developments seen following the visit of the Wang Ching-wei mission to Japan in December last year, climaxed by the entry of the National Government into the War of Greater East Asia and the retrocession of concessions and relinquishment of extraterritoriality in China by the Imperial Government. At the same time, the fact that the present heads of the Japanese and Chinese Governments have exchanged views at Nanking, on the future of China and of East Asia manifests, similarly as at the time of the Wang mission to Tokyo, that Japan and China are passionately resolved to destroy their common enemies, the United States and Britain.

The effect of such momentous contact will naturally be to draw the two countries closer to each other and epochally to strengthen the relationship expressed by President Wang of "living or dying together." The political power and foundations of the National Government, too, are expected to expand and solidify at a quickened tempo under the impetus of increased moral and material aid from Japan.

Viewed in such a light, the visit of Prime Minister Tojo to Nanking undoubtedly has exerted far-reaching effects not only on Sino-Japanese relations but on all the peoples of the Greater East Asia Co-Prosperity Sphere.

Deeds, Not Promises

Step by step the Japanese Government proceeds to demonstrate by actual deeds its sincere and practical friendship for China. The latest example is the conclusion at Nanking last Sunday of the agreement on details concerning Japan's rendition of her exclusive concessions to China and the terms of understanding attached thereto.

According to this latest instrument, Japan will actually turn over her concessions in China to the National Government of the Republic of China on March 30. Thereby will be fulfilled the earlier engagement entered into by the two Governments in the epoch-making arrangements concluded at the time of China's formal entry into the War of Greater East Asia on January 9 of this year.

By this latest step in the cooperation rendered by Japan to the National Government of China, the Nanking Government will be materially strengthened in political power and prestige, for it means that it is this Government, under the peerless leadership of President Wang Ching-wei, which is succeeding in steadily winning back the long-lost sovereign rights of China. It means that it is under this Government, which enjoys the enthusiastic cooperation of Japan, that China is experiencing a national regeneration which will usher in a day of glory for China as a vital member of the Greater East Asia Co-Prosperity Sphere.

With this new status being won by the Nanking Government, the sorry spectacle of the Chungking regime stands in greatest contrast. For all his promises, Chiang Kai-shek has succeeded in securing nothing tangible for the benefit of China. In fact his efforts have only succeeded in binding Chungking more tightly than ever as a slave of the Anglo-American imperialists whose sole interest in China is to exploit her.

The latest act of cooperation which the Japanese Government has rendered to China also emphasizes the contrast between the sincerity and practicality of Japan and the insincerity and helplessness of the United States and Britain. Japan is actually fulfilling her promise in a practical manner to help China regain the sovereign powers wrested from her by the imperialist nations of the West decades ago. In contrast, the United States and Britain made no move at all to return the special powers they had usurped in China until they found themselves sorely in need of military aid. Then they proceeded to make the meaningless gesture of promising to return to the Chungking pretenders special privileges which no longer were theirs to return. And even this empty promise has not been carried out.

A Chungking official, expressing himself recently as being deeply worried over the influence of Japanese propaganda, tried to analyze the reason for its effectiveness. It should not have been difficult for him to find the answer. The basic reason is clear. It is that Japanese propaganda does not rely on words or gestures; Japanese propaganda relies on deeds. While the Anglo-Americans resort to mere promises which remain unfulfilled, Japan proceeds to act in a most practical manner to give tangible cooperation to China. Deeds, not promises, demonstrate which nation is the real friend of the renascent Chinese nation.

Another British Predicament

Britain, whose disintegration started with the loss of her strongholds in East Asia following the outbreak of the War of Greater East Asia, is confronted with another serious problem. It is none other than the sharp drop in its birth rate. No less a person than Roy Forbes Harrod, British population expert brought this predicament to light recently when he warned that unless young British families have at least four children each, Britain would be a small insignificant state within 50 years.

The seriousness of the situation was revealed by Harrod's estimate that by 1970 the number of British women between 18 and 45 years of age will have decreased to three-fourths of the present number and by the end of 50 years to one half. These are the ages of fecundity and the predicted reduction of the number of potential mothers at once indicates the dark future that is in store for Britain unless immediate relief measures are taken.

The extremely high death rate of infants between nine and twelve months of age among the poor classes was another sore point emphasized by Harrod. The death rate, he said, was five times larger than that of the well-to-do classes. Taking into account prevailing conditions in England today—with a severely reduced diet because of the shortage of food resulting from Axis submarine operations, as well as a sad lack of maternity hospitals,—it is easily deducible that the actual death rate must be substantially larger than that cited by Harrod.

An appeal for more babies was made by British Home Secretary Herbert Morrison in a recent speech to corroborate the fears expressed by the population expert. He said Britain's low birth rate—which he stressed had shrunk considerably during the war—"cast a shadow over hopes for a brighter future for England." Then he added, "As long as the people do not feel happy having children and having more of them, patriotic appeals will be of little use." This remark is most significant in that it gives one the impression that British families are not altogether in sympathy with the government's concern about increasing its population. Much of this must certainly be due to their increased difficulties brought about by the war. It can also be attributed to the Britishers' concern for their individual selves before that of the State.

Home Secretary Morrison also declared that in order to keep England's population at a minimum of 40,000,000, it was necessary to have the existing number of families increased by 25 per cent. Whether such an increase can be realized seems extremely doubtful because social conditions in that country will become even worse with the protraction of the war. The mobilization of more and more young women into the country's war industries will certainly not help to increase the nation's birth rate.

The situation is even more alarming to Britain when one considers that it has no idea when the war will end. The question of future manpower then becomes of paramount importance, for the babies born today will in twenty years be able to fight at the front. Germany's predominant position in Europe today must be attributed largely to the country's far-reaching population policy enforced in the wake of the last World War.

In this connection, it is most encouraging that the population situation in Japan has been quite the opposite of Britain's. The assurance was given by Welfare Minister Koizumi in the Diet recently that Japan has nothing to worry about concerning her future manpower because of the steadily increasing birth rate since the outbreak of the China Affair in 1937. The birth rate, per thousand, was 16 in 1939, 28 in 1940, and 37 in 1941. It is another answer to the sagacious population policy that has been pursued by the Japanese Government.

EIGHTY-FIRST SESSION OF DIET HAS NO EQUAL IN JAPAN'S ANNALS

Heavy Volume of Business Transacted in Only a Fortnight Speaks Highly for Parliamentary Efficiency

By IPPO TSUKADA
(From Contemporary Japan)

Ippo Tsukada, is financial and political editor of the Tokyo Mainichi Shimbun (formerly Tokyo Nichi Nichi). His published works include: Kokka So-do-ho no Kaisetsu (Notes on the General Mobilization Law) and Senji Zaisei oyobi Kinyu Tosei (Wartime Control of Finances and the Money Market).

The eighty-first session of the Diet, following the New Year recess, resumed its business on January 28, a week later than the scheduled date, owing to the indisposition of Prime Minister General Hideki Tojo. On the resumption of the session, Prime Minister Tojo, then fully recovered from his illness, delivered a stirring address recounting the hitherto brilliant results obtained by Japan in the war of Greater East Asia. He declared that a decisive development in the war was most likely to take place within the course of this year and expressed his firm conviction in the ultimate victory of Japan. He also revealed that the foundation for the establishment of a Greater East Asia Co-Prosperity Sphere had been securely laid, that Nanking's declaration of war on the United States and Britain had strengthened the collaboration between Japan and China, and that Burma would be given independence before the end of the current year.

Prime Minister Tojo's speech over, the Diet took up the consideration of as many as 89 wartime legislative measures submitted by the Government, with a view to facilitating their speedy passage. It highlighted its speed in transacting business by passing the Emergency Military Budget of ¥27,000,000,000 after a discussion lasting only two days. It rushed through all the major bills by February 10, thereby providing the Government with the latest set of needful powers required to carry on the war in a high-powered manner. Within this brief time the House of Peers approved 38 out 39 bills for which it had priority of deliberation and sent them to the Lower House for necessary action. On the other hand, nine bills sent by the House of Representatives to the Upper House entered the committee stage. In addition, the House of Representatives approved nine out of 50 bills for which it had priority of deliberation and referred them to the House of Peers for its consideration. The remaining bills, too, by this time went through the committee stage and became ripe for voting. This heavy volume of business transacted by the Diet within a fortnight of its resumption is, indeed a record, which speaks highly for Japan's parliamentary efficiency and speed.

Must Utilize Time

Under the stress of the present total war, the Diet has become a wartime legislative body. It cannot afford to squander away its valuable time by indulging in a profitless show of deliberations. It must utilize the allotted time to give its quick assent to all official measures in order to enable the Government to remain resolutely prepared against all forthcoming contingencies. It is absolutely necessary for Japan to augment its fighting power so as to make its defense as water-tight as possible. The United States is not only planning an offensive against this country, but also is producing war materials with the object of waging a protracted war. Therefore, the current war is destined to become a prolonged affair. Hence, it has become incumbent on Japan to lay stress on the most efficient and most successful management of vital war industries. Especially important has become the question of unifying the administration of munitions production mainly to insure the plentiful output of war supplies at an accelerated rate. The gravity of the war demands that national economy should be converted into potential total war economy primarily to feed the requirements of war industries.

The Government after the passage of the Budget Bills submitted to the Diet the Wartime Administration Special Cases Bill prompted by the necessity of effecting an epochal expansion in the production of iron, steel, coal, light metals, aircraft and shipping. This important bill provides for the unification of the administration of industrial production under the Prime Minister as a special case of wartime administration, investing him with comprehensive and absolute powers to issue instructions to the Ministries concerned. The comprehensive and absolute power designed in it are quite different from dictatorial powers, for they are entirely Japanese in character compatible with the exigencies of the times. It must be observed that the passing of this measure has enabled Japan to reinforce further its war structure, for the Prime Minister, by exercising his newly acquired supreme powers, will be able to effect a co-ordinated and planned increase in war production by unifying in himself the administration of materials, capital, labor and motive power required by the designated vital industries and those related to them.

That the approved Wartime Administration Special Cases Bill does not seek to give dictatorial powers to the Prime Minister is clear from its object of unifying the administration of war production under the Prime Minister by imparting resilience and freedom from a hidebound system to a control economy system. Take wages for instance. The low price policy consistently pursued by the Government has led to the establishment of the wages ceiling, which prevents wages from rising above the stipulated level. But the wages ceiling sometimes proves to be an obstacle in attracting labor to a particular line of industry. In such a case, the new law sanctions that the Prime Minister should have the power to suspend the wages ceiling for the time being as an emergency measure. Likewise, in case the price ceiling is found to be a hindrance to the expansion of production, it provides that the Prime Minister has the authority to modify prices by suspending the price ceiling so as to insure the expected expansion of production.

Power to Control

The power to control the production of iron, steel, coal, aluminium and other key materials is vested in the Minister of Commerce and Industry. Yet for the purpose of increasing the production of these materials, the existing legislation stipulates that the Commerce and Industry Minister should obtain the approval of the required increase in capital and workers from the Finance Minister, who is in charge of capital movements, and the Minister of Welfare, who looks after labor movements. Such a roundabout procedure is not desirable during the present super-emergency confronting the nation. That is why the new measure seeks to eliminate it by vesting the Minister of Commerce and Industry with the powers required to work out a plan for the expansion of munitions production, while the other Ministers concerned are recommended to observe his instructions in that regard. Viewing the new legislation from all these angles, it is clear that its enactment means that the nation from now on would have to lead a full-fledged wartime life, contributing its total efforts to the cause of prosecuting the war as decisively as possible.

Besides the Wartime Administration Special Cases Bill, the approval of which reflected the outstanding nature of the current wartime session of the Diet, the huge Budget Bills are of no less importance. They were approved by the House of Representatives on February 13 and then by the House of Peers. Prior to that, on February 9, when the Lower House approved without amendment the Emergency Military Budget to[illegible]ng ¥27,000,000,000, an increase [illegible] ¥9,000,000,000 over the working budget, it passed a vote of confidence in the Government's conduct of War. The Emergency Military Budget was passed by the Upper House on the following day. The ordinary budget for the next fiscal year together with supplementary estimates amounts to ¥13,275,000,000. These ordinary and extraordinary military estimates disclose to what extent Japan is making provision to fight the war to a finish in its favor.

There is no occasion, however, for any anxiety on the part of the nation about the increases in both ordinary and military expenditures. Compared with the mammoth budget of America based on certain theoretical calculations, Japan's entire budget has been prepared in a practical way, taking a practical view of the resources available. America's 1943-44 budget aggregates $109,000,000,000, which corresponds to 84 per cent of its national income of $130,000,000,000; whereas Japan's ordinary and military budgets for the next financial year amount to ¥32,700,000,000, or 65 per cent of its national income of ¥50,000,000,000, after subtracting the ¥3,300,000,000 to be borrowed from the Southern Development Bank and the overlapping estimates.

Covered by Bonds

In Japan, as in other countries, the bulk of enormous budgets must necessarily be covered by issuing bonds. It is reassuring that the issuance of bonds to meet the monetary requirements in the next fiscal year will be conducted on a sounder basis than in the current year. No less than 87 per cent of the Working Emergency Military Budget, or ¥18,000,000,000, has been covered by issuing bonds, although only 64 per cent of the Emergency Military Budget will be actually met by bond issues. Moreover, to tap new sources of income, an increase in indirect taxes has been added to the tax burden of the peoples both in Japan Proper and in overseas territories. It is extremely gratifying that the southern region has contributed toward Japan's war fund—a feature which deserves international notice. The southern contribution, as already mentioned, is in the shape of ¥3,300,000,000 to be borrowed by the Japanese Government from the Southern Development Bank during the next fiscal year. This borrowing means that Japan will not be expected to supply the southern region with merchandise amounting to ¥3,300,000,000 in value and also that it will be able to reduce bond issues to that amount.

For expanding Japan's fighting power, the Diet has been asked to approve a series of bills, including those dealing with the establishment of a special municipality in Tokyo, adjustment and enlargement of air raid precautionary measures, control of barter trade, adjustment of commodity prices, educational reform, inauguration of a new farm system, increased production of foodstuffs, amendment of the Agricultural Insurance Law, subsidizing of the mining industry, training of aviators and population increase. All these measures are intended to augment Japan's fighting power on a co-ordinated scale. There are other bills which aim at repealing those laws which have outlived their usefulness and amending the Municipal Law, the Conscription Law and the Securities Exchange Law, all of which have an important bearing on the advancement of the co-ordinated fighting power of the nation similar to those bills relating to the amalgamation of agricultural associations, organization of a foreign trade corporation, formation of commercial and industrial associations, insurance of wooden ships, motor car traffic, oil monopoly and pharmaceutical business.

Concentrating Efforts

Inasmuch as the Diet is concentrating its efforts on the successful prosecution of the war, it is unlikely that there would occur a sharp difference of opinion between it and the Government on any of the aforementioned bills. Lively discussions may ensue in connection with the Imperial Rule Assistance Political Association to ventilate views on the procedures to be adopted in attaining the full crystallization of national politics. However, as such discussions will have no bearing on the business of the current wartime session their effect would be purely of a local character. Since the majority of the Diet members belong to the Imperial Rule Assistance Political Association, they may deliberate on the question of opening provincial chapters of the association as a means to stabilize their influences in their respective constituencies.

Prime Minister Tojo replying to a recent interpellation in the House of Representatives stated that there was no need of amalgamating the Imperial Rule Assistance Political Association with the Imperial Rule Assistance Association, as the former is a political body, while the latter is an official organization. The past record of the Diet shows that the Government, the Imperial Rule Assistance Political Association and the Imperial Rule Assistance Association have failed to act in a thoroughly coordinated manner. This issue is likely to be taken up by the Diet members to suggest either an alteration or an adjustment in the frame-work of the Imperial Rule Assistance Political Association, so that it can really function as the national political body, thereby enabling the establishment of a national service parliamentary politics of genuine Japanese type.

The eighty-first session of the Diet will go down as a landmark in the history of Japan, for the outstanding business it has transacted and is about to transact to promote the national war structure on a "victory first" footing. Already it has passed huge budget estimates and has given the Prime Minister full and comprehensive powers to take charge of the administration of industrial production chiefly for the reason that the nation must have sufficient war materials and economic strength to outbid America's production capacity and economic virility. It has also approved a large number of other measures to make the wartime life and the growth of a new harmony in Greater East Asia a forceful reckonable reality. It is now rushing through the remaining business, the disposal of which would make Japan an all-out total war State in spirit and in action.

In the Periodicals

Shuho; a weekly published by the Board of Information, No. 334 dated March 10, 1943 (in Japanese). Leading articles: Questions and Answers of New System of Middle Schools, Strengthening of Fighting Power and Young Men's School, New Departure of Press Circles, and Revision of Farming Industries' Insurance System.

Shashin Shuho; a weekly published by the Board of Information, No. 362 dated March 10, 1943 (in Japanese). The weekly contains various news items at the fighting and home fronts, told in pictures.

The Shukan Mainichi, Vol. 22, No. 11 dated March 21, 1943 (in Japanese). Publishers, the Mainichi Shimbun-sha, Osaka. Price 15 sen. Leading articles: Review of the Diet, Patriotism of German Women, and Report of the Principal of the Japanese Language School in the Southern Regions.

NEW CHINA'S WARTIME ECONOMY IS BASED ON SOUND STRUCTURE

No Stone Will Be Left Unturned by Nanking to Secure Closest Cooperation in War Efforts

By SOTARO ISHIWATA
Highest Economic Adviser to the National Government of China
(Written Specially for the Nippon Times)

The National Government of China finally declared war upon the United States and Britain on January 9. Since the outbreak of the War of Greater East Asia, the National Government has been cooperating with Japan for the successful prosecution of the conflict, under the slogan of sharing joys and sorrows with this country, and now, firmly resolved to share the same fate with Japan, it is leaving nothing undone in order to establish a strong wartime structure for the purpose of ensuring the closest cooperation in war efforts.

Simultaneously with its entry into the war, the National Government set up the Supreme National Defense Council and carried out the reform of its administrative machinery, so as to secure the vigorous play of political power. The Supreme National Defense Council is the pivot of the National Government's wartime structure. With President Wang Ching-wei as its directive force, it embodies the highest wartime organ for fixing all important measures, military, political and economic, required to meet the needs of the war situation. The administrative machinery was reformed at the same time in order to ensure sufficient dispatch in the transaction of State affairs. Through this reform, powers have been concentrated in the Executive Yuan, so that high efficiency may be attained and the simplification of business procedure realized.

In the sphere of military administration, the wartime structure had been well-nigh complete before the participation of the National Government in the war. That is to say, through the extensive reform of the military organization, the War and the Navy Ministries were placed under the direct control of the War Council, and the close unity of military command and military administration was promoted by the adoption of the General Chief of Staff system.

Economic Committee

As regards the economic problem, under the new arrangement, economic matters have been placed chiefly under the jurisdiction of the four Departments of Finance, Industry, Construction and Provisions, while the National Economic Committee, which was formerly under the supervision of the Executive Yuan, has been raised in status so that it, as an organ under the direct control of the National Government, has come to assume the character of an Economic General Staff.

Thus, the National Economic Committee has become one of the three big Committees under the direct control of the National Government, the other two being the Rural Pacification Committee and the New People's Movement Committee. These bodies are all under Wang Ching-wei's chairmanship.

The personnel of the National Economic Committee includes important economic leaders on the North China Political Committee and first-rate businessmen and financiers in Shanghai. It aims at the synthetic study of economic needs in North, Central and South China so as to plan, draw up, and supervise the execution of measures for the economic construction of New China and for the promotion of public welfare.

The first plenary meeting of the reorganized National Economic Committee was held on February 12 and 13, when the draft outlines of the wartime economic policy of the National Government were approved, and these were formally adopted with the approval of the Supreme National Defense Council which met on February 13. The wartime economic administration will thus be carried on hereafter principally by the four administrative Departments of Finance, Industry, Provisions and Construction along the lines of the program already approved.

Stable Defense Finance

By participating in the war, China has committed herself to the definite course of the closest cooperation with Japan for the successful prosecution of the War of Greater East Asia. Her main energies will be directed to the invigoration of the public mind and the expansion of productive power. In other words, she will make special efforts to provide wartime requirements as plentifully as possible through the full utilization of her economic power.

Concerning the financial position of the National Government it will be noticed that the budget for the first half of this year, from January to June, works out at 90,000,000 yuan a month on the average. This does not include the estimates for North China, and war expenditure constitutes the main item of outlay. The entire expenditure is met by tax and other incomes, but as this Budget was compiled prior to China's participation in the war, there must necessarily be some increases in budgetary estimates connected with the increased production of important materials and other items.

Should the increases involved prove very large, it might become necessary to study some fresh sources of revenue. The present expectation is, however, that the surplus for the previous fiscal year or anticipated increased tax revenue will suffice for the purpose.

One of the most remarkable phenomena observable after China's participation in the war is a steady increase in the number of commanding officers who, turning their backs on Chungking, have transferred their allegiance to the National Goverment. As they usually come over with many of their officers and men, a succession of such surrenders may entail increased budgetary estimates. If huge numbers come over to Nanking, the necessity may arise of finding fresh sources of revenue.

Central Reserve Bank Notes

Next, as to the circulation of the Central Reserve Bank notes. Following the all-round exchange effected by the National Government in March last year between the old fapi and the Central Reserve Bank notes, a marked increase was witnessed in the circulation of the Central Reserve Bank notes, and the old fapi no longer circulates in the Japanese occupied areas. At present, the rate of exchange between the Central Reserve Bank notes and the old fapi is in the ratio of 1 to 2, but inasmuch as Chungking is financing its expenditure by means of promiscuous printing of paper money, there is naturally an inflation, and this may necessitate some change in this ratio in future.

As regards the exchange rate between military scrips and the Central Reserve Bank notes, the Japanese Government, as was declared by Kazuo Aoki, Minister of Greater East Asiatic Affairs, in the Diet, intends to adhere to the present rate of 18 yen in military scrip for 100 yuan in Central Reserve Bank notes, and this policy is received with unanimous satisfaction in Chinese quarters. The Central Reserve Bank notes are now in general circulation in the important areas of Central and South China, so that purchases of important materials can be made through the medium of these Bank notes without let or hindrance. Japanese quarters will hereafter make a point of using Central Reserve Bank notes as much as possible.

Economic Reconstruction

In the present war situation, the expansion of production and the smooth interflow of materials are of imperative necessity, and the National Government is, in fact, ready to do everything possible to increase production. The Shanghai market was formerly most closely related to American and British economic interests, but this close economic relationship was severed in consequence of the outbreak of the War of Greater East Asia. Now, if factories in the Shanghai area which are in forced idleness at present resume activity, and, obtaining raw materials from the hinterland in lieu of America and Britain, and finished goods back to the hinterland, the smooth interflow of materials between Shanghai and the hinterland will result. This phase of the problem will claim earnest attention. Steps will also be taken to promote the smooth interchange of materials between North and Central China generally and especially to ensure the increased shipments of coal and other raw materials from North China into Central China.

On the other hand, the retrocession of concessions and the relinquishment of extraterritorial rights, which were first carried out by Japan and then followed suit by Italy and France, are expected to contribute greatly toward the consolidation of the financial and economic position of China. To aid the economic rehabilitation of China further, Japan has transferred enormous quantities of enemy property in China to the control of the National Government. Needless to say, these friendly actions are hailed with genuine gratitude in Chinese economic and financial circles.

In short, China's political power has been enhanced considerably after her participation in the war, through the abolition of the foreign concessions and extraterritoriality under which she has suffered for the past century since the Opium War. She is now determined to establish perfect peace and order in the country by the exercise of this enhanced political power, on the one hand, and to increase productive power, on the other, so as to cooperate most closely with Japan for the successful prosecution of the War of Greater East Asia. As the slogan held aloft by President Wang Ching-wei and

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